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**PRODUCTIVITY COMMISSION**

**INQUIRY INTO PAID MATERNITY, PATERNITY  
AND PARENTAL LEAVE**

**MR R. FITZGERALD, Presiding Commissioner  
MS A. MacRAE, Commissioner**

**TRANSCRIPT OF PROCEEDINGS**

**AT ADELAIDE ON WEDNESDAY, 28 MAY 2008, AT 9.02 AM**

**Continued from 21/5/08 in Sydney**

**MR FITZGERALD:** Good morning everybody. It's a pleasure to be here in Adelaide yet again. We have 11 participants today, which is, I think, the largest number we've had in a single day, so we'll move through the field hopefully on time.

Just a couple of formalities before I start: this is the seventh day of public hearings that the commission has conducted in relation to the inquiry into paid maternity, paternity and parental leave, and we have Perth, Brisbane, Darwin, and perhaps another sitting in Melbourne, to go. Whilst the proceedings are relatively informal - although, as I always say, by looking at it you wouldn't be able to tell that, would you? - there are a couple of things about it.

Firstly, all of the presentations are in fact being recorded for transcription purposes and will be placed on the Web shortly after the hearing. If there's anything that any of the participants wish to make in confidence, then they need to advise us accordingly. Secondly, through the day there might be some media. They're entitled to attend the hearings and they can take visual recordings, but they're not able to take audio recordings, for the purposes of broadcast. The third thing is, written submissions will be due by 2 June and we'll be issuing a draft report in September, so you'll have an idea as to what we're thinking in September. Then we'll do it all over again - written submissions, public hearings - and the final report will be provided to the Commonwealth government on the last day of February of next year.

Finally, whilst participants are not required to take an oath, they are required to be truthful - and I'm sure Sandra will be - and, apart from that, I think we can get under way. I'm Robert Fitzgerald. I'm the presiding commissioner, with my fellow commissioner Angela MacRae, and we'll get under way. Sandra, if you can give your full name and the position and organisation that you represent, that would be terrific.

**MS DANN (WWCSA):** My name is Sandra Margaret Dann. I've been the director of the Working Women's Centre since April 1998. The Working Women's Centre in South Australia was established in 1979 for the purpose of providing free and confidential information, support and advocacy, to women workers on a broad range of workplace issues. The centre also conducts research and project work on a range of issues that women experience, including those related to family-friendly practices, work-life balance, the impact of domestic violence on women workers and their workplaces, workplace bullying and so on. We also provide training and seminars on workplace issues.

The centre has five full-time staff, and project workers from time to time, depending on available funding. Three industrial officers are primarily involved in assisting clients who have legitimate grievances against their employer or previous employer. Such grievances cover the range of dismissal, redundancy, employment

conditions, workplace harassment, sex discrimination, remuneration, sexual harassment, maternity entitlements, family responsibilities, pregnancy discrimination, work and family issues, and workers' injuries. Through an enterprise agreement, our centre offers family-friendly practices, with a paid parental leave scheme of 14 weeks' full pay.

The centre advocates on workers' behalf directly with employers and, where this is unsuccessful or not advised by our clients, may also represent them in both the state and federal Industrial Relations Commission, the Equal Opportunity Commission and the Human Rights and Equal Opportunity Commission to conciliation stage.

The types of problems our clients come to our centre for assistance with cover such issues as not being paid correctly at the point of dismissal or redundancy; being dismissed without fair warnings; being "made redundant" - in inverted commas - and then seeing the job advertised in the next fortnight, and particularly while women are on maternity leave; sexual harassment, in some cases assault, by a colleague or employer; having hours cut when they inform their employer that they're pregnant; and difficulties negotiating a part-time return to work after parental leave.

Most typically, our clients are employed in the private sector; are employed full-time; are in the 25 to 44-year age bracket; work as clerks or in sales, personal services, predominantly in the wholesale, retail and health and community sectors. Most of the women we represent are low-paid workers who have no access to other means of representation and are not members of trade unions.

My oral submission today will not examine in detail a lot of the terms of reference for this inquiry; they will be considered more fully in our written submission, which is a joint submission with the Northern Territory Working Women's Centre.

So far for this financial year, from 1 July 2007, of a total of 2143 calls to our centre for specialised assistance, approximately 11 per cent relate to the following areas: pregnancy discrimination and sex discrimination, maternity leave entitlements, discrimination on the basis of family responsibilities, child care, marital status, and entry or re-entry to the labour market.

Today I want to make particular mention of what I term the tension points for women taking leave from their jobs to have a baby. Because we're in quite a unique position as a service provider and well placed to comment on these matters, I'll highlight the difficulties some women face at these six points: (1) when trying to negotiate maternity leave; (2) trying to remain engaged during their time of leave, if it's granted; (3) negotiating with their employer when trying to return to their

position, especially if they're attempting to return in a part-time capacity or asking for breastfeeding breaks, flexible start and finish times to accommodate caring responsibilities or child care times, requesting changes to rosters to allow for child care/school pick-ups and drop-offs and so on; (4) being restructured out of the workplace while on maternity leave; (5) the ability to continue breastfeeding after returning to paid work; and (6) re-establishing relationships at work with colleagues on their return.

These are the six areas where we see most problems arising and which we're very keen for any proposed system for paid maternity or parental leave to take account of. It may be the view of the commission that some of these difficulties will be best addressed by policies and practices at the workplace level, but at this stage of the inquiry I want to raise them for consideration, because they're very typical of the cases that we deal with at our centres.

Many women who contact our centre speak of feeling like they were cut adrift from their workplace and their colleagues, sometimes when they first announced at work that they were pregnant, and sometimes when they left to have their baby. We know that keeping women engaged with news from their workplaces, information about changes and so on, allows women to return to work more smoothly. In some workplaces, especially where a worker is not replaced for her period of maternity leave, there tends to be a pervading culture that a woman having a baby is somehow gaining an advantage over others, and is therefore punished on her return to work, when we know that quite the reverse is true. Women suffer significantly, in terms of wages and opportunities, from taking breaks to have a family.

Clients of Working Women's Centres are often amongst the most vulnerable of employees. Non-union members, they have little or no negotiating power in the workplace. These women report unreasonable refusals of their employers to accommodate their requests, despite current "right to request" legislation. It is our experience that this situation has not changed, despite the current provision that supposedly places the onus on the employer not to reasonably refuse such a request. Working Women's Centres strongly support clear legislated rights in regard to such requests and we'd really like to see a shift from the notion of "right to request" for the employee to an obligation to provide by the employer. There is something deeply odd in the Australian psyche, I think, about the notion of paid maternity leave, and we've seen from media from the hearings already that you don't have to scratch very hard to find deeply held views about paid maternity leave.

It's also our experience that women returning from maternity leave are at an increased risk of bullying, harassment and discrimination in the workplace. The current "right to request" regulations contribute to these incidents of bullying and discrimination by putting vulnerable women workers in an even more vulnerable

position of having to beg their employers for family-friendly provisions.

Just a couple of case studies: the first is Eleanor - not her real name. Eleanor took unpaid leave from her full-time position for the birth of her baby. She worked in a clerical position for a church based community organisation that employed approximately 30 people and claimed to have strong community values. On her return, Eleanor requested part-time work. She had already discussed this with the person employed to replace her while on maternity leave, and together they presented a job-share arrangement to their employer that they felt met both their needs and the organisation's needs. Despite this, the organisation said they did not believe the position was suitable for job share, although they did not provide information as to why this was the case. They also refused to negotiate on how the arrangement might be altered so that it would suit their requirements. Eleanor tried to negotiate part-time work elsewhere in the organisation but was told it was not viable for the organisation to employ part-time workers.

The second case study is Simone. Simone had worked in a full-time permanent capacity in an administrative role for a medium-sized company for over three years. She took 12 months' unpaid maternity leave and had visited the workplace on a couple of occasions to introduce her baby to her boss and co-workers. During these visits, Simone had mentioned the possibility of returning part-time. Her boss at the time seemed to be responsive to the idea. A couple of weeks before she was due to return to work, Simone contacted her boss to discuss this part-time arrangement. Her boss never returned her calls, despite her ringing on many occasions. The date came for her return and Simone still had been unable to speak with her boss. Eventually, after putting something in writing with the assistance of our centre, her boss made contact. Simone was told that, as she was not going to be returning full-time and the business had some problems internally, they did not see her issue as being a pressing one. The reason for this was that they knew they couldn't accommodate her request and so did not see the point in contacting her. Simone has since lodged a complaint with the Human Rights and Equal Opportunity Commission.

We believe, to go back to some of the terms of reference, that the primary objectives of a paid maternity leave scheme should include gender pay equity within the labour market, with increased labour force retention and the opportunity to return to paid work without disadvantage to position or pay. We believe an objective should also be gender equity within families, with fathers sharing leave and caring responsibilities; additionally, improved health outcomes for both mother and child, with a mother being able to recover from childbirth, bond with the new baby and return to work without negative consequences to her health and that of her child; in addition, income stability, for families to provide for a period of financial security during the leave period; and, lastly, the promotion of a family-friendly society.

The key interventions of a paid maternity leave system, in our view, should include: maternity leave to eligible mothers, and we believe that women are eligible if they are pregnant; extended leave that can be shared between eligible spouses and partners; unpaid partner's paternity leave; job protection during a period of parental leave; no less than 14 weeks' payments during the period of maternity leave to the mother; 52 weeks of paid leave in total - as I said, 14 of which is exclusively for the mother; criteria providing ongoing access to entitlements during the period of leave - for example, capacity to be promoted, superannuation, accrual of long service leave and so on. This may well be best achieved in a staged implementation over time.

Often, women who expect to be able to negotiate their return to work with no problems tell us they're shocked to discover the hostile reception they receive from their bosses when they raise the possibility of flexibility on their return. A recent EOWA—Equal Opportunity for Women in the Workplace Agency—report highlights the difficulties women have at all levels of the workforce negotiating appropriate levels of remuneration compared to men. Negotiating and self-advocacy are not skills all workers are encouraged to have. Low-paid, low-status women workers lack power in negotiation situations.

No paid parental leave scheme should overtly or inadvertently place women in the situation where employers refuse to employ women, as they see them simply as a cost burden to their business or enterprise. No paid parental leave scheme should give the capacity for abusive male partners to force women back to work soon after the birth so that they can have the paid leave benefit instead of the mother. Paid maternity leave should be for all women who are pregnant, regardless of length of service with their current employer and regardless of whether they are employed full-time, part-time or as a casual, or whether they're self-employed.

Working Women's Centres support providing fathers with the ability to take paid leave on the birth of their children, whether the mother is working or not. This leave should be on a "use it or lose it" basis at the time of the birth of the child. For Aboriginal women especially, consideration needs to be given to the importance of grandmothers and aunts in providing care to children and the impact this has on their workforce participation. Consideration also needs to be extended to families where same-sex partners decide to have children.

We propose that the baby bonus still be paid - that may be means-tested - and that due consideration be made in the implementation of a paid parental leave scheme to not disadvantaging families where the mother is not the primary carer, so that families are not financially worse off. I think I may have already mentioned, it's our view there should be no qualifying period for paid maternity leave. Working Women's Centres believe that payment should be a genuine income replacement scheme, linked to the employee's wages or wage prior to parental leave.

With respect to duration of leave, Working Women's Centres propose 12 months' leave at full pay or 24 months at half pay, up to five years' parental leave with an unpaid component. A parent should also be able to return to work within the first 12 months part-time and continue to receive the remainder of their paid parental leave.

If the scheme is funded jointly by government and employer contributions based on total payroll to a social insurance fund, then the employer is not out of pocket for the period of leave and is able to replace the worker for only the cost of the recruitment and training. Working Women's Centres believe that providing financial security through paid parental leave will allow women to have real choice about how they manage child care and their return to work. Women tell us often that they feel forced back into the workforce earlier than they would like because of the financial pressures associated with having a baby and no income.

**MR FITZGERALD:** Sandra, we're going to need some time for questions, so if you could just give us a couple of final points, then we'll have a few minutes for questions.

**MS DANN (WWCSA):** Okay. I think the rest of my submission really just teases out points I've already made, so I'll leave it at that.

**MR FITZGERALD:** That's good. Thanks very much for that. I was wondering about the detail, which we've now got in spades. I just want to clarify one or two things before I ask Angela to question. You've indicated that you want, as I understand it, paid parental leave including a quarantine period for maternity leave, for 52 weeks as the ultimate aim at full replacement wage, in addition to which would be paid the existing baby bonus. Is that correct?

**MS DANN (WWCSA):** Yes.

**MR FITZGERALD:** A number of participants have already put to us that the baby bonus or an equivalent should be paid to mothers who are not in the paid workforce but that it should be rolled into any paid maternity leave scheme for those women in the paid workforce. I understand the ACTU's submission yesterday is one of those. Could you just explain to me why you believe that the baby bonus should be paid in addition to any government funded scheme?

**MS DANN (WWCSA):** Our view is that the baby bonus is a symbolic recognition by government about the worth of children to our economy. It's a payment that says to parents, "We want you to give your child a good start. We want this child to grow up and contribute to our prosperity, so this is a symbolic gesture by the government

about the worth of you having a child." We see paid maternity leave, however, and paid parental leave, as being about maintaining a connection to the workforce, and that it's about genuinely replacing lost earnings during that time. That's how we would separate that notion.

**MS MacRAE:** I guess quite a lot of the problems that you raise - there are the income support issues and then, if I can call them cultural problems - difficulties in employer-type relationships. Would you see that introduction of a parental leave scheme might help to be a signalling device that there's a worth in having family friendly workplaces? What are the outcomes that you would see from this scheme?

**MS DANN (WWCSA):** I did touch on what I see as a rather weird phenomenon in Australia around our thinking about paid maternity leave. My view is that we have to introduce something to get over that hurdle. We will then, hopefully, see a shift in some of those deeply felt views about, "Paid maternity leave will be the ruination of small business, the sky will fall in," all those sorts of doomsday warnings about paid maternity leave. We don't believe any of those terrible things will happen. Our own example is that we're a very small community, non-government organisation that relies on funding. We offer 14 weeks' paid maternity leave. We have delivered that on one occasion and that has given us a very loyal worker, a strong connection with that worker and her to her work. We have only seen the benefits of that.

**MS MacRAE:** I wasn't clear about how you would see the sharing of the financing. Are you proposing something like the ACTU, where you would have a minimum amount that the government would pay and then you would have mandatory, presumably, employer top-ups with that, or were you looking at a fully funded social insurance type model that employers would put into?

**MS DANN (WWCSA):** We believe that government should contribute an amount. Then there are several possibilities: that government fully fund the scheme or that employers contribute perhaps on a sliding scale. That is not really our core business but we do see that government does have a role to play in leadership; in terms of turning around some of that thinking, too.

**MS MacRAE:** In terms of specifically who might make the payment, one of the things that we've heard about is, one option would be that the government would make the payment and another would be that the employer would make the payment. Given some of the problems you've outlined in relation to people keeping in touch while they're on leave and those sorts of thing, would you have a preference perhaps for employers paying as a way of trying to keep that connection?

**MS DANN (WWCSA):** Not necessarily, but I do see that there are some fundamental considerations around the time when we hopefully introduce a paid



maternity leave scheme that assists employers in their thinking around that and in their practice.

**MS MacRAE:** Robert probably has a couple of questions too, but the nature of the population where you're seeing the biggest problem seems to be among the lower paid workers that may not have such a strong connection to the workforce - possibly not full-time, lower paid and not unionised: do you see any benefit in tailoring a scheme that might target more assistance to that group? Giving full top-ups to replacement wages, I suppose - there are going to people that do very well out of that, that already might be regarded as the more privileged in society, that have the higher wages and the firm connections and are much more likely to have good return-to-work options and those sorts of things. So in designing your scheme, it's a universal-type arrangement that gives potentially, you could say, more advantage to those who are already advantaged. Did you consider those issues when you were looking at your design?

**MS DANN (WWCSA):** We did. We debated those issues long and hard, even amongst our centres where we have united commitment to a paid maternity leave scheme. There are issues to be worked out. We got into quite deep debates about class and privilege. I think we come back to a universal scheme that is a genuine replacement of income for women.

**MR FITZGERALD:** One of the tensions that we have talked about with other participants is that, on the one hand a scheme of that length and of that nature with a full replacement income and eventually going to 52 weeks means that women will be out of the workforce longer. That may be highly desirable from a maternal and child wellbeing angle. On the other hand, it actually reduces participation in the workforce for a period of time. There is some view that, if women take that period of time off, they'll come back into the workforce with greater intensity, more likely to be full-time and so on. But there is a tension that arises. I was wondering how you've come to grips with that tension.

**MS DANN (WWCSA):** In South Australia we know that there are something like 60,000 women who are available for work and another 60,000 women who want more hours of work. We know that our state is crying out for workers to fill skill shortages. There are a lot of things apart from paid maternity leave impacting on the labour force at the moment. I guess we're going to have to look at that long term to see what tweaking has occurred. I don't see that paid maternity leave would impact adversely on the number of women in the workforce. I think we have to come to an acceptance in our thinking that it is highly desirable for women to take time off when they have a baby.

**MR FITZGERALD:** Can I also raise the issue about discrimination. We had a

submission from a lawyer who specialises in women's issues and sex discrimination in particular, similar to your own. She gave a number of case studies about discrimination that their legal service deals with. The question we asked of her, and I ask of you, is: to what extent do you believe a paid parental leave scheme, particularly a maternity leave scheme, will in any way impact on that level of discrimination? Whilst I can understand how this may send a signal, a message, a very good message - and that's certainly what people have been saying - realistically, do you believe that it will have any significant impact on the way in which women are treated in the workforce?

**MS DANN (WWCSA):** I believe it will, if it's sold properly, but it will take time and there will always be rogue operators. I think we accept that. For some employers the only incentive to change their behaviour will be appearing before a human rights or equal opportunity commission, and even that may not change their behaviour. We see that already. But I think there are many more employers now, again in our own state, who are cognisant of the labour shortages in regional areas. They're beginning to accept their responsibility as ethical employers around what it is that they can do to enhance their business and provide a contribution to their communities that they live and operate in.

**MR FITZGERALD:** But at the moment a number of those employers have acted where women have become pregnant or are moving to the stage of actually having a child. At the moment they don't have to pay. It's a right to return to work, and you've indicated there's a difference between a right to request and the right to provide, or the obligation to provide.

**MS DANN (WWCSA):** Yes.

**MR FITZGERALD:** But at the moment the employer doesn't have a payment obligation. Under this scheme they probably still don't because the government is likely to pick up the majority of it, particularly for low-paid workers. So what is it in the paid maternity leave scheme that will change, or potentially change, the conduct of those employers because they may say that the reason that they're doing this is because of the disruption of losing the worker, having to find a new worker, all of which remains the same whether it's a paid or unpaid scheme. So I'm just wondering what it is specifically about the paid maternity and parental leave scheme that you think that has a potential to change that dynamic.

**MS DANN (WWCSA):** Yes. That's a really good question. I can only look to other countries where these schemes have been introduced. The one I'm most familiar with most recently is New Zealand. Having a look at the review that they did of the introduction of their scheme, it did seem to suggest that there were some changes coming there. So I guess we learn from others' experience.

**MR FITZGERALD:** Yes. I was in New Zealand last week and they probably support that view that they've put.

**MS DANN (WWCSA):** Yes.

**MR FITZGERALD:** Can I just ask one final question. Just in relation to paternity leave, or leave that will be provided to the other supporting partner, could you just clarify your view about that.

**MS DANN (WWCSA):** We believe that there should be leave available that can be shared. So it may be the mother of the child who takes the full extent of the leave. We're saying she should have at least 14 weeks and then after that there can be a shared arrangement between the two partners.

**MS MacRAE:** But still paid at her wage?

**MS DANN (WWCSA):** We haven't worked out the details of that.

**MS MacRAE:** Right. Okay.

**MR FITZGERALD:** Have you got any final questions?

**MS MacRAE:** No, that's fine, thanks.

**MR FITZGERALD:** Are there any final comments you'd like to make before we conclude?

**MS DANN (WWCSA):** I guess the only comment I'd like to make is a personal one, and that is that 30 years ago I did get paid maternity leave. I have three children. I got paid maternity leave for all of those. It is still a great shock to me when young women ring our centre and I find myself telling them that there is no guarantee for them of paid maternity leave. We do have a two-tier system already. I think a universal system will go a long way to addressing a lot of the problems that we see.

**MR FITZGERALD:** Good. Thank you very much.

**MS MacRAE:** Thank you very much.

**MR FITZGERALD:** If we could have SA Unions. Janet, if you can give your name and the position and the organisation you represent, and then 10 or 15 minutes of opening comments. Then we'll have a discussion.

**MS GILES (SAU):** My name is Janet Giles. I'm the secretary of SA Unions which is the peak trading body in South Australia. I'm under the understanding that there have been a number of submissions made - and there will be - by the union movement right across the country. I don't know whether you heard from Sharan Burrow or whether she's actually got to the stage of appearing before the commission.

**MR FITZGERALD:** No, not yet.

**MS GILES (SAU):** Not yet.

**MR FITZGERALD:** But they've given us a submission.

**MS GILES (SAU):** Okay. Because there'll be a clear position put around the country around what the union movement's view is about this, what I wanted to do this morning is to focus particularly on South Australia in my role as the head of the trade union movement here in South Australia, and with no embarrassment I'm going to be strongly parochial about this submission this morning.

The reason is that we find ourselves in South Australia - it's a small state in a small economy at a time when we really are at the cusp of an economic and skilled employment boom with the expansion of Olympic Dam in the north of the state and then the establishment of over 30 mines in the north and the development of the defence industry. Also there's a great opportunity to build a sustainable future for our kids and our grandkids by developing a sound base of manufacturing in high-tech and green jobs. There's been quite a lot of talk about that particularly since the closure of Mitsubishi in the southern suburbs.

So we're at the opportunity where we could take a couple of roads. We could continue to be a low-pay, low-skill state, which we would identify ourselves as being now. But in a market where the globe is beckoning to even our own people here in South Australia and we've got an older and ageing population - in fact we've got the oldest population in the country - 36.7 per cent of South Australians are older than 45 years old which is a worry to us and we want to increase our population, but also make the most of the ability to fill these skills at the local level by building a sustainable employment market in South Australia and not have to rely on interstate and overseas workers in order to do that.

Sandra has referred to it as well. What I believe we've got is an absolute,

untapped potential of women's employment in this state and it's untapped because we've got a large number of women who are currently not participating in the labour market. There is a large number of women who currently want more work than they have now. Also most women in our state in the labour market are trapped in low-paid, casual, part-time work, largely in the service industries so they're not taking opportunities to develop their skills and go into the jobs that will lead to that higher-paid, higher-skilled work.

It's been identified as a problem by the South Australia government and they've established a women's employment strategy which has only just started. So we see paid maternity leave as part of the fundamental basis of that sort of thinking; that we would support a federally funded, minimum-paid maternity leave scheme that provides that base for all Australian women. We support the ACTU's position on that which is a 14-week, minimum-pay scheme which includes superannuation. But we think that in places like South Australia if we're not also adding to that in some way through an additional South Australian-paid maternity leave benefit, then what we'll do is see the same problems just reinforced and even our women workers will go to the eastern seaboard and maybe even overseas where the provisions are better.

So I suppose I'm doing a bit of a pitch here to a way state governments can interact with this issue of paid maternity leave in a competitive market by marketing ourselves in South Australia as a great place to raise kids, as a family friendly state, and we use paid maternity leave as a particular state benefit as the basis of things like encouraging flexible work arrangements, high-quality child care and education services and also clean, green spaces for children to play in and market ourselves and nationally in order to attract families to come and work here, not just single men who are currently working in the construction of the mining sector and not just individuals coming through 457 temporary visas and other arrangements.

We've had a clear think about this. We've had a discussion with employers about the difficulties with labour attraction in South Australia. They are already saying they can't find workers in trades, engineering, mining sites and ICT. They also say that they want to, and prefer to, employ local people which I think is really interesting. Just recently I was up at Prominent Hill which is a mine in the north of the state run by the mining company Oxiana. BHP would support this as well. They actually prefer local people because if you're local you're more likely to stay. You're more likely to be committed to the industry. Also the culture of South Australia is easier to deal with, other than having people who've got different expectations coming to South Australia and in the industry.

I put some statistics in our submission, and Sandra has talked about the number of women. We've got something like 140,000 South Australian women who have been estimated as being available for work. These are from the South Australian

labour market profile, Nielsen at the ABS: 61,000 women are under-employed; around 60,000 want to work, but are not currently in work. We've got around 18,000 unemployed women, but we've also got the lowest increase in female labour participation over the last eight to 10 years, and the employment to population ratio for South Australia in men is 67.4, but for women it's only 55.4, which is from the ABS in April 08.

So, you know, we've actually got these women out there who really want to be part of this, and there are some major barriers. We would say that one of the major barriers - and it has been identified as a major barrier - is caring responsibilities and the fact that women have babies. We think there are only four options for women in South Australia if they want to have a baby and if they don't have access to paid maternity leave currently: they either take unpaid leave and cope with a lower income, and that is more difficult in our state, because we have a higher proportion of low-paid and minimum-paid workers; they could leave their employment, which doesn't do anything for our labour market issues; they could go back to work very quickly, and sometimes do do that, before it's suitable for both them and the baby and that's not good for them or the workplace.

Also, the other thing we're seeing very clearly amongst our young women is deciding not to have children or delaying having children to a much older age, until they're in a seemingly more secure financial position. In our state that doesn't necessarily always happen. They never maybe reach that position. So we think we can take those things, think about how we can add an edge to South Australia and add some things on top of a minimum scheme. I do mention that bargaining for paid maternity leave is a problem, and I think you'll find that most people give submissions that only those women more likely to be in large workplaces, white collar, higher paid and public sector workforces are the ones that are the most likely to be able to bargain. Also, those that are in a good bargaining position.

But what we find with women in South Australia is, it's unusual in service, hospitality industries, blue-collar and manual industries for women to have paid maternity leave. Look, we're keen to see if we can get some data about that for you as well, about the differentiation. We think that if we have a minimum paid scheme - a state bonus if you like here - to deal with our current crisis in employment, that it would be very encouraging then to employers who really want to go the next step and really get competitive as well with other employers, that they use that as a higher base, and we could get some quite good conditions in very difficult-to-fill positions. A lot of our mines will be fly in-fly out. They won't be town mines. It won't be similar to even the Pilbara, which is also a lot of fly in-fly out operations, but very close to other towns.

It won't be the Queensland model of mining. It will be a very different model

of mining in South Australia. How do you manage a workforce where you want to encourage women into it if you've got fly in-fly out operations? It's going to be a challenge for all the mining companies in the state, and we think that there will be needed bigger breaks, bigger pay breaks, for women to be able to take part in that industry. So I suppose to summarise, I'd say that we need a national scheme and we would support the scheme proposed by the ACTU as a minimum scheme, which will enable employers to add to it and enable states to give themselves a competitive edge like our state.

We're proposing something called a South Australian Working Mum's Incentive paper by the South Australian government. This has been investigated by one of our backbenchers in parliament, Grace Portolesi, who is giving evidence this afternoon. Before there was a proposal of investigating a national paid maternity leave scheme, she was already advocating we should have one in South Australia to give us the competitive edge, and that we need to put in some other provisions like special targeted training and employment programs, and also some state incentives for businesses to employ women and provide family friendly working conditions as a package to provide some sort of clear competitive edge, in a marketing sense, to come to South Australia to work, because it's a great place to raise kids and if you're a woman you get huge benefit and opportunities that you wouldn't get elsewhere. That's the submission I'm making this morning.

**MR FITZGERALD:** Thank you very much.

**MS MacRAE:** Thank you.

**MR FITZGERALD:** Can I ask a clarifying question? I notice in the media comments this morning they indicated that SA Unions was going for 26 weeks. You're saying that your position at the moment is the same as the ATU of 14 weeks?

**MS GILES (SAU):** Yes, our position is a national minimum scheme of 14 weeks paid for by the federal government, but our position would be at full replacement pay and not minimum pay. But we're saying that there should be from a state perspective, if we want to survive in the state, an additional state scheme paid for by the state government on top of that. So we support a minimum federally-funded scheme for every woman in Australia, but we think here we'd need better, special treatment.

**MR FITZGERALD:** So the balance between the 14 weeks and the 26 weeks you're saying would be a state scheme at this stage.

**MS GILES (SAU):** Yes. I think that that would be possible. We've costed it. It would be affordable and it would be, at this stage, something that would give us an

edge outside of a national scheme.

**MR FITZGERALD:** In relation to the ACTU scheme as I understand it, it is to the minimum wage for 14 weeks with mandatory top-up by employers. What would be the shape of the state scheme for the additional number of weeks?

**MS GILES (SAU):** We vary in relation to the ACTU position on that. I mean, because of the nature of employers in South Australia, which is a high proportion of small and medium-sized business, we would support a full replacement pay for women and we don't believe that would be, in our state, significantly more expensive, because of where women work currently and the wages that they're on. I think even the top-up that the ACTU has calculated would be quite minimal, because of the low level of women's wage. So in both cases we'd be talking about full pay replacement.

**MR FITZGERALD:** Full pay replacement.

**MS GILES (SAU):** Yes.

**MR FITZGERALD:** In the case of the first 14 weeks that would be paid for, in your scheme, by the federal government out of taxpayer funds. In relation to the additional 12 weeks, which are the state schemes, how would that be paid?

**MS GILES (SAU):** That would be paid for as a state government working mums' incentive out of the state budget.

**MR FITZGERALD:** Working mums' incentive.

**MS GILES (SAU):** Yes.

**MR FITZGERALD:** Out of general revenue.

**MS GILES (SAU):** Yes.

**MR FITZGERALD:** So in both of your schemes the employer is not required to make any contribution at all other than through their general revenue.

**MS GILES (SAU):** Yes, I think that is our position. The reason we take that position is that what we would do is to encourage employers and unions to bargain on top of the base. We want the base lifted for everyone so that we can get some quite significant increases in paid maternity leave through collective bargaining. So our position is the same as the ACTU about people who already have the paid maternity leave, that the 14 weeks would be in addition to that, not a replacement. I



think that the mining industry in South Australia may be in a position, if they have a base raised by the federal government - a base on top of that raised by the state government - that they could actually come to some arrangements with fly in-fly out mines that enable women to have babies and have a considerable time out of the mine and then come back into the mine, and not waste the huge amount of resource being put in to raising the skill level of that workforce.

**MR FITZGERALD:** Given what you've proposed, your ideal would be for women to be able to remain out of the paid workforce for a period of at least 26 weeks.

**MS GILES (SAU):** Yes.

**MR FITZGERALD:** But from your comment just then in relation to fly in-fly out, do you have a longer-term objective? In fact, do you believe that it would be beneficial for the mother and child, or the family, for particularly the mother to be out of the workforce for a longer period than 26 weeks?

**MS GILES (SAU):** I think so. If you're going to be away - I mean, most of the workers up there have got arrangements ranging between two weeks on and one week off to four weeks on one week off at the moment or, in some cases, one week on and one week off, but that's less likely now. So I don't know how women would feel leaving very small babies for those sort of periods of time. You could come to some arrangements and you could share the work with your partner, but I think that the longer that a woman who has had, say, up to four years investment in their skill training or a university degree in geoscience and a range of other areas, the longer they can be with their very small baby the more comfortable they would be, I think, in leaving their babies over those blocks of time and about going in and out of that sort of employment.

**MS MacRAE:** Can I just ask in relation to the taking of that leave, do you have a position in relation to maternity leave?

**MS GILES (SAU):** Yes, I think that probably all of us are really focussed on paid maternity leave at the moment, because we've been waiting so long to have the discussion, and so there hasn't been a lot of thought given to that, but I think that in reality what we're first of all talking about is allowing for the people that have the babies - the women - to have that clear establishment of breastfeeding - as Barb Pocock puts it, a lie-down after you pop out a baby. That sort of thing is really fundamental. Post that, 14 weeks and I think we would look at the flexible arrangements, or maybe post six months.

I'm focusing a lot on the mining industry, but it's really struck me that that is where a large amount of the employment is going. That's where the high wages are

going. We want women to be able to access where the employment and the high wages are going. Families already are making arrangements with their children about the way that they operate in that work environment, and I think that they will continue to do so, so we'll need some flexibility for families to make the arrangements rather than just women to make the arrangements.

**MR FITZGERALD:** I understand the issue about income replacement, but a number of the schemes - both throughout the world and even in Australia - show that if you make a payment for X period, families will in fact extend that period, either by taking it at half-pay or what have you. If the objective is to allow women to be able to remain out of the workforce for an extended period of time, one of the things that seems to be the case is that you don't need to have full wage replacement for the entire period of that time. In fact, most schemes throughout the world will not pay up to full wage replacement unless they're a social insurance scheme. Nevertheless, the outcomes of those schemes seems to be an extended period.

So if I can just take one approach, and that is to say: recognising that there are benefits for women being able to take that longer time, when you're starting to talk about a government-funded scheme, be it Commonwealth or state, the rightful question is, do you in fact need to pay full wage replacement for that period of time to achieve the desired outcome, given that we don't have a social insurance scheme into which employees or employers have contributed?

**MS GILES (SAU):** I suppose the perspective I'm looking at it from is an up-front incentive for women to go into non-traditional trades and employment. If a woman can perceive her life as being able to maintain a particular income, she's more likely to go into those trades. So forward placement of pay is fairly important, particularly in areas where women and men are competing in those sort of non-traditional trades. I think there should be full replacement, but ability to take it at half-pay over longer periods of time, which exists all over the world as well - - -

**MR FITZGERALD:** Sure.

**MS GILES (SAU):** - - - so that people can make that individual choice. But I wouldn't want it to be in a position where women are still making that decision about whether or not they're going to go into particular professions and have babies, knowing that they're going to be financially disadvantaged by making that decision.

**MS MacRAE:** Also, the previous presenter - and we've heard it elsewhere - do you have any view on whether or not it would be possible to go back, say, to part-time work in the period and still receive some measure of benefit? Have you thought about that? And would it be possible to take it off in various blocks or would you need to take it as a single block? Do you have views about those - - -

**MS GILES (SAU):** I must admit I haven't put my mind to those sort of detailed questions post the base thing at the moment.

**MS MacRAE:** Yes, okay.

**MR FITZGERALD:** Can I just ask a question about employer top-up. I just want to go back to that at the moment. Can you give me the rationale as to why you don't believe employers should make any contribution to the scheme at all? Making an assumption that there are benefits for employers as well as employees - and we would believe that there must be some - why is it that this scheme has no element of contribution by the employers?

**MS GILES (SAU):** I suppose for two reasons. One of them is the reality of employers in our state, the nature of them. They tend to be largely small or medium-size employers, although then we've got these massive ones as well. But the other one is probably a pretty pragmatic reason: we would like to have employer support for this as a statutory minimum for all people. It's based not so much on the employee-employer relationship but almost like a right for women in our country: that if you choose to have a baby, you shouldn't be actually blocked out of the workforce or financially disadvantaged for a small period of time, because we believe in that as a society.

We need the employers' support in order to be able to get a minimum standard in this country and if we're going to have an argument about who's going to pay and who can pay and how much they should pay, I think we're less likely to get that support from employers. And there is an investment South Australia makes in the skill training and the development of these workers, so there's benefit to the state and to the general economy as well, not just to the employer. We'll go hard after the big employers to put an additional bargained-for paid maternity leave benefit on top of a minimum, but we don't want an argument anywhere about the basis minimum for everybody. I think that's the philosophy we've come to.

**MS MacRAE:** I hadn't really thought about the idea that South Australia would do something different here, and if they were to, I'm just wondering about how you would define who a South Australian worker is and whether you'd get distortions about people tending - I mean, obviously if the mine is based in South Australia, then you can't move the mine, but to the extent that people would contract out to other states and get things done, with the Internet and all those things the way it is these days, would you actually end up getting a perverse effect of discrimination against people that were based in South Australia? I don't know whether this on its own would be enough to do that, but, knowing the lengths some employers go to to avoid things that are statutorily required, I just wondered whether that was an issue that

you'd thought about at all.

**MS GILES (SAU):** I don't know. I just think that we're in a position right now where we're just a bit panicky almost, and desperate, about the impact of our skills and employment needs in the last 10 years in our state and how we can survive as a state, but I think that what we'll be able to build is almost like a consensus around, "We do need to do something a bit different and a bit 'out there'." I suppose we're sticking it up for that reason. Let's have a debate about how we're going to compete in a nation where people will either choose between working in a mine in the middle of a desert with no town nearby or working in a mine that's got a town nearby and it might be a couple of hours from a capital city, or three or four hours from a capital city; how we're going to compete in the number of workers that we'll need, without having to significantly change the nature of our workforce, and not provide any capacity, and sustainable capacity, in our state. What I'm arguing, I think, is: let's really do something different, because women are part of the key to that. I mean, if we've got that capacity in the women - - -

**MS MacRAE:** As long as you've got a government-funded arrangement, you don't get those problems.

**MS GILES (SAU):** Yes.

**MS MacRAE:** If you have an employer-funded one, that's when you get that sort of problem.

**MS GILES (SAU):** Yes. So, I don't know, it's to have a bit of a go, to think a bit differently about this thing in our particular circumstances.

**MR FITZGERALD:** I'll wheel it right back, if I can. You're right. You have between 120 and 140 thousand women who would like work or more work. You have skill and labour shortages, and they're likely to be exacerbated.

**MS GILES (SAU):** Yes.

**MR FITZGERALD:** In that sort of environment, normally you would see employers increasing the voluntary or negotiated entitlements in order to attract workers. In this area, to some degree that is happening, but what you're saying is that in South Australia that is not occurring or is not likely to occur. What is it in the market that is causing this mismatch between an available workforce and shortages, and yet we're not seeing employers responding by offering greater entitlements, particularly in relation to the areas of paid maternity leave? You would expect the market to start to react. I acknowledge there will always be some industries where that's less likely to occur, but there does seem to be a mismatch between supply and

shortage, and what you'd expect to happen is not yet happening.

**MS GILES (SAU):** Yes, I agree with you, but I think the problem for us is that women are not in the market now, currently. That's the problem. There aren't women tradies. When you look at where women are enrolled in VET, for example, they're largely enrolled in certificate I and II courses but not in certificate III and IV, and not in apprenticeships. We have this massive shortage of women's participation in the traditional trades, so women's issues around family and paid maternity leave are not on the agenda in there because they don't exist. That's why we think the paid maternity leave there is so important, because it will drive the possibility for women to see these professions as theirs, and for employers to see the possibility of having women in them and not lose their investment around the training issue.

I think it's the combination of the crisis in women participating at a higher level in training, and the traditional view of those trades as male professions that we're seeing. So women are basically falling through the middle and only working in the service and low-paid industries, rather than actually attaching themselves to the place in order to get the bargaining power to be able to do it. I think this, in our view, would speed up that bargaining process by having them in there.

A very good example - I know it be useful for you, I think, to look at the practice of Oxiana as a company. They've got something like 30 per cent of women in their workforce. That hasn't been by accident. It's been through some strategic programs where they've done different and special things to attract women to that company. It just goes to show you that once you build up those sorts of numbers in an industry and a mine, then you're more likely to be able to then add quite exponentially the things that benefit women workers. If you have a chance it would be useful to get some insight from them.

**MR FITZGERALD:** Yes. We'll contact them. Okay. We're just out of time. Are there any other questions? Have you got any other final comments that you'd like to make, Janet, before we conclude?

**MS GILES (SAU):** No, I've got a copy of this but I'll tidy it up a bit. I've noticed some typos this morning. I'll send it to you.

**MR FITZGERALD:** That's like my documents. That's fine. Thank you very much for that.

**MS GILES (SAU):** Okay. Thank you.

**MR FITZGERALD:** If we could have the Australian Federation of University Women, please. Okay. Erica, if you could give your full name and the position and the organisation that you represent, that would be terrific.

**MS JOLLY (AFUW):** My full name is Erica Annette Jolly. I'm the vice-president of the South Australian chapter of the Australian Federation of University Women and I also have the job of what we call here the education/health liaison, so I have rather more - a role as an advocate rather than the side of raising money for bursaries.

**MR FITZGERALD:** Good.

**MS JOLLY (AFUW):** What I wish to do here is to add to the submission already presented to the commission by Dr Jennifer Strauss, the national president of the Australian Federation of University Women. Here we wish to emphasise the need to invest in the health of mother and child. Our first major consideration is the problem that we perceive of attaching paid maternity leave to a welfare payment through means testing.

The attitude of Australian governments to welfare recipients has often been punitive. Some of the evidence is in the quarantining of welfare payments to ensure provision of food for children while failing to address the underlying reasons for the difficulties faced by women in these situations. It's evidenced in the punitive approach in Centrelink and a refusal to recognise for example that a woman undertaking a university course to improve her economic and social position is actually studying to enable her to enter permanent paid work.

AFUW(SA) in 2006 received evidence from a young woman denied financial support for postgraduate course based study in audiology. She was told by a Centrelink clerk to get a real job. Mothers undertaking graduate study in education to be registered as teachers have received similar responses. There appeared in these instances to be no understanding that improving skills through education was not only helping women to be proactive regarding the economic and social future for themselves and their children, but investing in Australia's future as well by raising the skill level of its citizens.

As a result women receiving welfare payments for any reason are made to appear a burden on society - on taxpayers - that mantra used by politicians, commercial media and others eager to justify inaction or denigrate the less fortunate. As a result women feel anxious, uncertain of how they'll be treated, either depressed or angry about their treatment. Their level of stress rises and in both cases the state of mind not only affects the wellbeing of the mother, it has its effect on the wellbeing of the baby. Therefore any suggestion that paid maternity leave should be means tested would add to the level of resentment and increase the bureaucratic costs of

ensuring that no woman above the designated means test level receives what in fact is her right as an earned entitlement just as superannuation - usually higher for men - is seen as an earned entitlement with tax benefits.

AFUW(SA) received information that there appears to be some suggestion being put forward that, like the baby bonus, paid maternity leave should be means tested. This would mean nothing for the women who, through their diligence and their success in higher education, earn higher incomes. The problem for women giving birth while undertaking postdoctoral study has actually been dealt with in an addendum to the AFUW submission and has been sent by Dr Strauss.

Our second area focuses on the health of mother and child. To continue to deny mothers, who are already in the workforce, paid maternity leave is to perpetuate levels of anxiety about their future options in their careers, whether they'll be penalised and forced to return to work at a lower level, whether their position will be there and at what rate of pay or salary. For those in lower-paid jobs on shifts the situation is even worse.

This uncertainty in a world where uncertainty predominates must adversely affect the health of mother and child. To ensure that in those early weeks the mother is free from levels of financial and its corresponding psychological anxiety, income support is essential and it needs to be at a level which enables the mother to feel that she can take the time to bond with her baby. It must also not penalise those women who have temporarily given up their work career to have a child. While breastfeeding was referred to in the AFUW submission as important in these early weeks, breastfeeding may not be an option for all women, and bottle-fed babies need to have the same time to bond with their mothers and the mothers with their babies.

There is increasing knowledge and recognition of the significance of the earliest weeks in a child's cognitive development. Its quality is influenced by the emotional context in which it is being developed. For example, in South Australia 39 million is being put into child-oriented centres from babyhood to kindergarten registration to help mothers and fathers have support in the process of parenting and to help them to understand how the effective comfort and wellbeing begins for their baby.

These are not-for-profit centres connecting health and education in ways that are appropriate for new mothers. They decrease feelings of isolation. They are investments by the state in the wellbeing of mother and child, and in the future health and education of the community. What if mothers are unable to take advantage of the support that is there, if they are forced to return to work for fear of losing the job they have or because they do not have the money to help pay the mortgage, the rent, the food, the energy costs and emergencies?

I have a personal example here. Everything looked fine for the birth. The mother went to the supermarket with the baby and the child went into this terrible convulsion. She had had an anaphylactic shock in the about the sixth week of birth. The mother, a very well-educated woman - totally lost. Had no idea what to do. You cannot guarantee what is going to happen after the birth. Everything may look fine and it may absolutely be not fine at all. So that area of emergency is something that needs to be considered. When we generalise, as we do all the time, we forget the needs of significant groups in our society, and maternity leave must be paid to all women, regardless of race or culture. I'll explain what I mean about this in a minute. It must go to all women who are ongoing employees, full-time or part-time, and it must be paid to Aboriginal women who receive the Community Development Employment Program, or the step-up measures.

That information has just recently been given to me by an Aboriginal woman in our Office of the Status of Women. Jennifer Macklin has announced that CDEP was to be removed absolutely, and then it has gradually been discovered that there was no real employment for people to go into and that the sudden death move to cut it out that has occurred was creating considerable problems one way and another. The federal government has decided not to go ahead with the cutting off of the CDEP in a significant number of areas where there's no employment, and where this is the only way in which the women who get it are being able to be trained so that they can go and get jobs in the future, when some jobs of some kind are available in those areas. So I really thank her very much for telling me that.

This other point was raised too, by another Aboriginal member of the Office of the Status of Women: women who are doing contract work need to be considered and must have access to paid maternity leave. In terms of who is caring for the newborn child, if, for whatever reason, the newborn child is taken away from the mother and the grandparents for example become the primary carers, and if they are workers part or full-time, they too need to have access to paid maternity leave. The AFUW submission that Dr Strauss put forward, in its points 3 and 4 deals with the necessity for the appropriate level of income support, point 5 the desirable period of income support, and point 8 deals with how it should be funded. So I don't want to repeat what they had to say.

By its emphasis on the positive effects for the health of mother and newborn child, AFUW (SA) seeks to reinforce the AFUW case and join the national council in recommending that the initial period of paid leave should be set at 18 weeks, because this is the level suggested by the International Labour Organisation and it's the level of best practice, subject to revision, in order to continue to meet ILO recommendations for best practice. I received information yesterday that the Australian government, on the international level, has begun to support the end of



discrimination against women, by acceding to the optional protocol to the United Nations convention on the elimination of all forms of discrimination against women. I suggest that the absence of paid maternity leave is a form of discrimination against women in this country.

**MR FITZGERALD:** Good, thank you very much Erica. You've raised a couple of significant issues, which I want to come back to, but perhaps Angela might want to start.

**MS MacRAE:** Just to be clear in relation to the scheme as you're proposing it, you're talking about people that have connection to the workforce. You've mentioned that you would like contractors, part-times and casuals to be covered. What do you see as the situation for those outside the workforce? Do you have a position on that?

**MS JOLLY (AFUW):** Personally, I see the position - the problem is the title of this - that this is to deal with paid maternity leave. Personally, I believe that every woman who has a baby should have support. I don't want to see the baby bonus tied to this, because the baby bonus is going to be means tested. This is the right of every woman. I checked out this submission not only with these two Aboriginal women from the Office of the Status for Women, but I also checked it out with the chair of the National Council for Single Mothers and Their Children. Her comment was, "The whole business about giving birth is a matter of timing." You may be intending to do a university degree and you've got your HECS - you've got all those problems. You haven't started work yet and you get pregnant. I have a difficult time in answering this question, because AFUW, as part of WomenSpeak, decided to concentrate on the income replacement.

Personally, I absolutely agree with Elspeth McInnes that there needs to be real consideration for women who are not employed. If you take the case of Aboriginal women who have the highest level of unemployment in this country, they are in a very difficult position in this. They will get the baby bonus, but what else will they get? What will come - one of the problems with commercial media is the way in which they will find some ghastly episode and discover that someone has used the \$5000 to go on the pokies or something. They'll make it the major issue and they'll ignore the fact that 95 per cent of those mothers will buy things that are needed in the home and that they couldn't get without it. So we've decided to cut it off every fortnight to make certain of - this is part of what I call our rather puritanical approach to a few things - - -

**MR FITZGERALD:** Can I clarify, Erica, if I might: in relation to women who are not in the paid workforce, they would continue to receive the current baby bonus?

**MS JOLLY (AFUW):** Yes, they would.

**MR FITZGERALD:** And you support that?

**MS JOLLY (AFUW):** I do.

**MR FITZGERALD:** But you don't support the means testing of that. Is that correct?

**MS JOLLY (AFUW):** I do support the means testing of that, as different from paid maternity leave.

**MR FITZGERALD:** So in relation to the paid maternity scheme, would a mother, who is attached to the workforce, receive the paid maternity leave and the baby bonus, or will the baby bonus be rolled into that, so that they're not disadvantaged, but they're separate. As I understand a number of the submissions, as long as those not in the workforce continue to receive a payment called the baby bonus, then for people attached to the workforce that payment gets rolled into whatever scheme the government defined.

**MS JOLLY (AFUW):** I don't want to go into that argument, because I think I'm not - - -

**MR FITZGERALD:** That's fine. It's just a matter of clarification. We'll have a look at it when we get the submission. It's just a - yes, there are a couple of approaches. Some are saying it should be on top of anything else the government does, and some say it's rolled in. So we'll have a look at that submission.

**MS MacRAE:** You also commenced that the health of the mother and child was one of the central issues in designing your scheme. Do you have a sort of ideal period - you've nominated the 18 weeks in accordance with the ILO, but do you have a position on what you see as the sort of ideal time out for a mother to be supporting the child? I mean, we've talked already about how that 18 weeks is likely to be extended in many cases, especially if it was full income replacement for that period. Do you have a view, a child or maternal health view, about an ideal length of period out of the workforce?

**MS JOLLY (AFUW):** What I haven't mentioned, the AFUW position is strong on parenting leave, and one of the things that Dr Strauss put forward was the importance of the engagement of the father in the early stages of bonding; how essential that is. Because that takes a period of time, our preferred option would be up to six months, but - yes, that's where it would be.

**MR FITZGERALD:** Just in relation to Indigenous women who are on CDEP or STEP, given that we're not absolutely certain what those schemes will look like into the future, but given that CDEP is regarded as an employment scheme and if you're on CDEP you are not regarded as unemployed, your issue is very interesting, that you've indicated that women on those schemes should be included. I think that's the first time we've heard that, so I'm very grateful for you raising that issue.

**MS JOLLY (AFUW):** I'm very grateful to the women.

**MR FITZGERALD:** Yes. And every hearing we have new issues that are raised, so you've just raised another one. Just trying to think it through, it does depend on how you see the nature of CDEP, whether you see it as a make-work scheme or whether you see it as work itself, but, putting that aside, there may be some significant opposition to the payment of an additional government-funded payment to women who are already being funded by a government scheme.

**MS JOLLY (AFUW):** Well, the CDEP is less than the minimum wage.

**MR FITZGERALD:** Yes, and it's pro rata.

**MS JOLLY (AFUW):** It's less than the minimum wage. And it's dangerous, this division of things into a work scheme or a make-work scheme. It's both. There is training in it, particularly for people who have had very little education and who are denied access to, say, higher education because of this incredible gap in the kind of education we actually didn't give them - - -

**MR FITZGERALD:** Sure.

**MS JOLLY (AFUW):** - - - for heaven knows how long. It's both, so it should not just be seen as an either/or political game.

**MR FITZGERALD:** But from your point of view it's very clear that, so long as CDEP is regarded as an employment program, then that would meet the criteria for eligibility for any paid maternity leave arrangement?

**MS JOLLY (AFUW):** Absolutely.

**MR FITZGERALD:** All right. Well, I'm grateful for you raising that issue, which we'll look at in some detail. One of the issues that has arisen in this is trying to establish the objectives, and obviously child and maternal wellbeing are important. The issue of gender equity has been raised - equity within the home and, as well, in the workforce itself - but can I just go back one step right from the beginning. Most people are saying to us that this should be a universal scheme, as you have indicated.

Nevertheless, when you're looking at a government-funded scheme, often we would say that that should be targeted at those who are most in need or least likely to achieve that benefit from private negotiations. So in the workforce, 44 per cent, give or take, of women are already covered by some form of paid maternity leave. Many of the professional women you represent are able to access reasonable levels of paid maternity leave. The question is, from a public policy point of view, should in fact governments target their assistance to those that are not like you, which would be those currently on minimum wages, in small business employment and so on?

**MS JOLLY (AFUW):** I think that kind of targeting is the welfare kind of mind that I set out to oppose in detail, and it's that kind of targeting, it's that kind of thinking, that is very dangerous. We don't say, "Because you're on a lower wage, we're going to cut your sick leave." We don't do this with other kinds of leave. Why do it to mothers having babies? The woman I described who discovered her child had an anaphylactic shock wasn't in the lower-paid area. She had two postgraduate degrees.

**MR FITZGERALD:** To push you a little bit further just for the purpose of this discussion, annual leave and sick leave and so on are not paid for by the government. They are in fact paid for by the employer, and it's right that all employers should provide that. Isn't there a legitimate argument to say that, once you say it should be government-funded, taxpayer-funded, then there is a greater argument for targeting?

**MS JOLLY (AFUW):** The argument about targeting, I know that it will be used in a popular way - you know, this is what we do. But it is the right of women in the paid workforce to have an insurance that they have a future, and anything that undermines that is not worth considering, really.

**MR FITZGERALD:** That's fine. You've answered my question. Angela?

**MS MacRAE:** Just to come back to another point that you've raised, about the importance of the bond with the father, which we have heard from a number of participants now, do you have anything specific in your scheme that gives the father a right to leave?

**MS JOLLY (AFUW):** No, we haven't. Well, not that I know of. I think we've said that it's desirable, and there may be situations - you're going to have to construct a scheme that will make allowances for emergencies, for differences, and take that into account.

**MS MacRAE:** Yes.

**MR FITZGERALD:** My final question is: I presume - and it may be a wrong presumption - that any payment for paid maternity or paternity leave or parental

leave is conditional on people actually taking the leave. That is, if you don't take the leave, you don't get the payment. Would that be right?

**MS JOLLY (AFUW):** I think that's true, because if you don't take it, you've decided not to take the leave. That's the logical thing. But the situation for a significant number of women is that, with rent going up, mortgage costs going up, they feel that they can't take the leave. That's why we've used the phrase "an appropriate level" rather than a sort of minimum base wage level: for them to feel that they will be able to take the leave without penalty. It's not as neat as what the ACTU has put out.

**MR FITZGERALD:** That's all right. You're allowed to have as many variations as you like on the theme.

**MS MacRAE:** Neatness is not always the sole - - -

**MR FITZGERALD:** Neatness is not always an essential criteria. Any final comments before we conclude?

**MS JOLLY (AFUW):** No.

**MR FITZGERALD:** Thank you very much for that.

**MS MacRAE:** Thank you.

**MR FITZGERALD:** We'll now just break for 15 minutes and then we'll resume with three participants before lunch.

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**MR FITZGERALD:** We resume with the Business and Professional Women of Australia. If you could give your full name and the position and organisation that you represent, and then 10 or 15 minutes' opening comments, and we'll have a discussion after that.

**MS COLES (BPWA):** My name is Gillian Lewis Coles. I'm the state president of the Business and Professional Women, South Australia.

**MS MURRAY (BPWA):** My name is Jean Murray, and I'm a member of BPW in South Australia.

**MR FITZGERALD:** Right. Over to you.

**MS COLES (BPWA):** Thank you for the opportunity to speak to you today. BPW Australia is associated with the Security4Women national secretariat that researched and produced that What Women Want report. BPW Australia will be following up this presentation with a written submission.

BPW Australia represents the interests of working women across Australia and takes the voices of women to government policy-makers, and these voices are increasingly saying that Australia should catch up with the rest of the world and offer paid maternity leave to women in the workforce. BPW has been campaigning for paid maternity leave since the HREOC recommendations on pregnancy and productivity late last century. Working women across Australia need paid maternity leave - not just women who work in large corporations or wealthy institutions; not just the women who work in government, or senior and professional women who can negotiate such terms. Paid maternity leave needs to be made available to women in factories, women working in small businesses that make up such a large sector of our workforce and the women running those businesses.

Australia needs its working women to have paid maternity leave. By this we mean a period of 14 weeks or more with a guaranteed income and a right to return to work at the end of it, not just a one-off payment to cover some of the expenses of having a baby. The ILO currently recommends 18 weeks which is a more realistic minimum. Paid maternity leave constitutes a productivity and income-support measure. It is not a welfare measure.

BPW is not asking for something new or novel. Australian families need the same societal supports as those the rest of the world has taken for granted for many years. A South Australian BPW member received paid maternity leave when she had her first child about 45 years ago in the United Kingdom. Even most developing nations have paid maternity leave. Burkina Faso has had paid maternity leave for decades. You may remember this place as Upper Volta and that was known to be

one of the poorest nations in the world.

The USA does not federally legislate paid maternity leave, but five US states provide for 12 weeks' government-funded, paid maternity leave. New Zealand introduced paid maternity leave funded from general taxation in 2002. This leaves Australia as the only developed nation that has neither state nor national provision for paid maternity leave. BPW supports paid maternity leave as one of a suite of measures aimed at supporting families, along with family friendly workplaces, accessible and affordable, quality child care and other community supports.

Although paid maternity leave tends to be seen as a women's issue, it is a family issue. Men are missing out on having the family they want because their partners cannot access paid maternity leave. A male partner's unstable, casual or contract employment can be a big deciding factor in family formation. Waiting to see if the job situation improves can mean long delays. So it is not simply about women delaying babies for their careers. Paid maternity leave is designed to benefit children, not their parents, whereas the baby bonus is designed to benefit parents. Paid maternity leave is about taking the time to give the next generation a good start, whereas the baby bonus is about decorating the nursery.

Australia's fertility rate is below the replacement level of 2.1 and remains barely stagnant at between 1.7 and 1.8. The age of first births is rising and there are fewer second babies. Demographic reports in the 1980s predicted the current rise in fertility rates. The 1950s baby boom resulted in an echo boom as baby boomers reproduced in the 70s and 80s. Demographers predicted a secondary echo when this generation reached their mid-20s, but the change in socioeconomic circumstances delayed that until their 30s which is about now. If the predicted second echo and the significant increase in births through assisted reproduction technology were removed from the statistics the actual increase in the fertility rate may well be negligible.

The Productivity Commission's issues paper dismisses Australia's fertility decline is irrelevant to the paid maternity leave debate and declares that paid maternity leave would not increase fertility. This is not born out by BPW's research or feedback from BPW members. Women seek employers who offer paid maternity leave. We have some anecdotal evidence from our members - names changed. Liz would not have Adam if it were not for paid maternity leave provided by her employer. She may have had her first child without paid maternity leave, but certainly not her second. Liz used her long service leave for her first baby and paid maternity leave for her second.

Olivia was required by her employer to be accessible immediately after the birth. She therefore worked from home for six weeks and then returned to full-time office based employment. Her husband is taking long service leave to help care for

the child. The baby will have to enter child care at three months. Not what they wanted. Karen had to wait for her leave to accrue before she could plan to have a child. Karen went back to work before her baby was five weeks old because she didn't have paid maternity leave which is distressing her. Her husband has taken time off work to help because his job is precarious and hers is stable.

Karen has actually just changed jobs to an employer who offers flexible work arrangements and reasonable work hours which will allow her to spend the time with her young baby that she knows he needs for his health and development. This new employer also offers paid maternity leave which Karen believes may allow her to have a second child. Karen could never have contemplated a second child if she had remained with her first employer.

Businesses offer paid maternity leave for productivity reasons, attracting and retaining staff and being an employer of choice. If the government funded paid maternity leave for 14 weeks businesses who already offer paid maternity leave would offer extended leave or top-up payments to match the salary, to maintain their business advantage.

Delayed fertility means a greater reliance on IVF. IVF is time-consuming and stressful on both partners, potentially impacting on their productivity. There needs to be a separate program that supports family formation for those not in the workforce. BPW Australia's research indicates that men and women are having less children than they say they want. Australians too often delay child-bearing, chasing financial security, believing that women's fertility extends longer than it does.

Responsible young women want and need to be financially secure and in a stable relationship before they start a family, but in an employment and social environment of casual and contract jobs long or variable working hours and a lack of independence can make it difficult to decide to form a family. The precarious nature of employment, especially if it is the male who is casual or on contract, is a major determining factor in whether a couple can contemplate a family. Couples are making decisions about whether to have a family based on socioeconomic factors.

Couples are finding it difficult to make a financially safe space in their lives to take the time to have a baby. They are juggling the pressures of study and work, building two careers and paying off a mortgage and HECS debts. Working women find it hard to legitimately take time out for childbirth and believe that government-funded and endorsed paid maternity leave would legitimise and normalise taking time to focus properly on their physical recovery from birth and the child's early development needs without feeling as if they have wimped out on work.

Societal and economic factors impact on decisions about family formation.



Times have changed. It's harder for younger people to plan to have children. One wage used to be enough to pay a mortgage, and in earlier decades young people left home and were independent earlier. Many couples find the personal and financial cost of one partner being out of the workforce, even for a short period, make family formation too difficult. The lack of policies and programs to support women taking time out to have babies adds to the difficulty.

International medical and societal evidence indicates six months' paid maternity leave is most appropriate for both the baby and the parents. In genuinely family friendly countries six months' paid maternity leave is becoming the norm, and is paired with policies and programs such as affordable child care and school-based vacation programs.

Australia's low fertility rate is a societal issue and needs a societal response. Women can't fix it on their own. All Australians have a role in funding the next generation and all Australians benefit. Parents pay significant amounts of money to raise children for up to 25 years if they take on tertiary study. Government-funded paid maternity leave requires all Australians, whether parents or not, to contribute to the first 14 to 26 weeks of those 25 years at a minimal amount.

A good start for children is worthy of society's support. This is a reasonable expectation. For many decades all Australians have paid for the army reserve for the defence of our country. Surely our society should equally contribute to giving the next generation a healthy start in life. Parents contribute enormously to providing the trained employees and sustainable business owners that will pay the taxes and staff the facilities that all Australians will need as they age and retire. We want universal, government-funded paid maternity leave.

**MR FITZGERALD:** Thank you, very much - sorry, Jean?

**MS MURRAY (BPWA):** I just will expand on one point: we are focussing on the fertility issues as you can see, because we've been running a major national project trying to educate people that fertility does not extend well into the 40s. You'd be surprised how little information is out there that people are accessing, because it's in the wrong places. It's in the medical arena [indistinct] so we've got a project that we've been working on for a couple of years through BPWA. In the focus groups and the research that we did for that project, paid maternity leave came up consistently so often as the reason why some women managed to have children and some of them didn't. It was a huge differentiator, besides which we had already been following the paid maternity leave policies since Susan Halliday tabled her report.

**MR FITZGERALD:** Yes.

**MS MacRAE:** Just to follow that through a little bit, did people have in their mind, as part of that - if we take the fertility issue, just in terms of people delaying children, which is one of the issues, did they have in their mind the extent to which a paid scheme would have - how generous it would have to be and how long it would have to run? I mean, some of the questions you get in surveys are relatively simplistic and if people answer, "Well, if I had a paid scheme I'd have a child," but obviously we all know that children's costs extend well beyond the first 14 weeks for example, and that even if we were to fully income replace at that level it's only going to be a tiny percentage of what it's actually going to cost to raise a child. So in some senses you wouldn't expect that having paid maternity leave, at least at that sort of level, is going to make a huge difference in terms - it might change a little bit about the timing but not necessarily the number. I just wondered if you had any comment on that.

**MS COLES (BPWA):** The timing can be very important - - -

**MS MacRAE:** Sure, and I understand that, yes.

**MS COLES (BPWA):** And many of them are sort of - - -

**MS MacRAE:** Yes.

**MS COLES (BPWA):** Many young people out there are - - -

**MS MacRAE:** Yes.

**MS MURRAY (BPWA):** I think the conversations that we've had with a number of our members - and I'm talking about women in their early 30s - who are anxious to have children, but they keep sitting down with their husbands and partners and going through the numbers, and this is where we've found the casualisation and contract of employment, which is a whole new thing, that didn't happen when we were having children. That wasn't an issue we were facing. It's saying that, "Well, if your job improves, if your contract is renewed, maybe we could get pregnant in April and then come Christmas we might be - if I could get paid maternity leave it's possible." They keep sitting down and doing the numbers and the dates and saying, "I can't find a way through this. I cannot find a space here, a financially safe space where we wouldn't lose the house." I mean, you've just gone to all this effort to build a family home and you can't afford the family to put in it. You know, it's heartbreaking for a lot of these women, and it's not just about the women. It is about families.

**MS MacRAE:** Yes.

**MS MURRAY (BPWA):** And it's about the men. The number of men who are

distressed that they're not - they don't seem to find their way to be able to have the family they want, because often we find it's the men who have the casual job or the contract job, and that's the person you're going to rely on for that six months. The women are the ones with the steady, stable employment, right? It would be great if the fellows could have the babies, it would work out fine, but that's not how biology is. These are the common conversations - - -

**MR FITZGERALD:** I'm sure you would have had paid parental leave if the fellows had to have the babies a long time ago. I don't think there's any doubt about that.

**MS MacRAE:** Just also then in relation to eligibility, I'd just be interested in your views about - I mean, you've said about the males sometimes having those job patterns of casual and part-time, but for a maternity leave scheme are you proposing that the eligibility for that would be similar to the unpaid leave, or would it cover a broader range of the - - -

**MS MURRAY (BPWA):** We'd actually like to see women who are running businesses, women in small businesses, eligible for the paid maternity leave scheme. There's a model in the UK that Australia should be looking at, where they've been able to support that such that they're able to bring in somebody else who can manage their business for a period of time, government supported, while they're on maternity leave.

**MS MacRAE:** Right.

**MS MURRAY (BPWA):** And they go back and run the business.

**MS COLES (BPWA):** We believe it really needs to be very flexible. We call it paid maternity leave, but it needs a great deal of flexibility. Families are so diverse and you're looking at which in the couple is the one that's got the better more stable job. You know, the big thing - the HECS debts that are hitting young people these days, it's a very difficult time for them with their finances.

**MS MacRAE:** Yes. I guess the other question that comes to mind is that primarily it would appear that the barrier here is income, that people are feeling that they haven't got sufficient income to certainly see over the hump of the period when one parent is out of the workforce, and it does raise a question about whether or not if income support is the problem should we be looking more at the income support for the family in general? Why do we need a maternity leave scheme? Can I sort of throw that to you as opposition?

**MS COLES (BPWA):** Why do we not need one when the rest of the world has one? The sky has not fallen in on the rest of the world, and I do believe that in most

of the other nations it's seen as a productivity issue. It is not seen as just something for women. It's something for the nation.

**MR FITZGERALD:** But the point there is, you can achieve income replacement by simply increasing the baby bonus. In other words, one of the issues that comes up is, what is it that requires the leave component of it? If, for example - and we acknowledge that the women do the sums and they come up with an answer that says, "We can't afford it" - there are two ways to go: one is simply to increase the number of support through a baby bonus. In other words, you simply top it up to a higher level, and that goes to all women. You maximise choice and flexibility. It doesn't matter whether you're in the workforce, out of the workforce, part-time, casual, you have an amount which is paid over time. If that's all it is, if the issue is that the leave component, the actual paid leave, is significant, what is it that's significant about what we're trying to achieve?

**MS MURRAY (BPWA):** The leave is significant. It's significant for the woman to be able to get through the postnatal period healthy and relaxed, and bonding with the baby. It's important for the baby in order to establish breastfeeding. So there are health benefits there and there are social benefits. It's also important that there is paid paternal leave in those early weeks as well, because I think we're all recognising that bonding with dads is critical as well. So it is about the health benefits, about - that where the World Health Organisation and the ILO were coming from. They were saying there needs to be this security.

If you just have one amount, one bonus that went to all women, all family situations are different. For people with high mortgages, and a lot of young people do have them, in country areas where mortgages are lower the baby bonus may well equate to income replacement. If you're living in central Sydney or Melbourne, it probably won't come anywhere near it, so I think we have to think much more sensibly than just a single amount for everybody. Everybody is not the same - - -

**MR FITZGERALD:** Can I just clarify, in your proposal let's assume - you're talking between desirably 18 weeks plus, given your ILO reference, but would the money that the government - would the government funding incorporate the baby bonus for those women? Some people have said to us that you need to have paid maternity leave and in addition they still get the baby bonus. Others have said to us, "Roll the baby bonus into it." For women who are not in paid work they would continue to receive the baby bonus - - -

**MS MURRAY (BPWA):** We would see paid maternity leave for women in the workforce and the baby bonus probably not.

**MR FITZGERALD:** So it would be in fact rolled in for those attached to the paid

workforce?

**MS MURRAY (BPWA):** Yes.

**MR FITZGERALD:** Okay, no, that's fine. Given the group you represent, the Business and Professional Women - I asked this of Erica before and we've asked this of I think your sister organisation in Sydney the other day. Some might well argue that there are two groups of women in the workforce already: those who are able to negotiate and achieve paid maternity leave, sometimes quite generously so either through collective bargaining or otherwise - for example, the university sector has, in relative terms, very significant paid maternity leave, whereas there are another group that are unlikely to be able to negotiate those or receive them voluntarily and they tend to be lower - you know, minimum wages or just above that.

From a public policy point of view the issue that we've canvassed with some participants is, is it appropriate for the government to only target its assistance to those women who are least likely to be able to negotiate or receive a reasonable paid maternity leave but why do we need to go universal?

**MS MURRAY (BPWA):** I don't think there should be a welfare - it should not have a welfare component to it. It should be income support. There are plenty of models around the world - we've looked into quite a lot of them. We are an international organisation, so we've spoken to our members in other countries about how things are done there. The first response you always get is, "What? You haven't got paid maternity leave?" I even had that last night talking to a woman I know from the UK who couldn't believe it, and she was born here.

There are a number of models whereby there is a standard amount that's paid for a period of time. There's a percentage amount and quite a lot of countries will have full wage coverage for six weeks and then it drops to 50 per cent or 60 per cent or whatever. There are others where it's wage replacement up to a particular ceiling, so it cuts off at the top level. The experience of countries in that last group appears to be that the high-flying corporate women with high wages - their corporate firms don't want to lose them, so they top them up at that top level. But other than that, it's wage replacement.

**MR FITZGERALD:** Some economists might say that, if you introduce a government funded scheme - this is the key component to this - that all you're doing is crowding out the marketplace which is already responding - you know, with over 40 per cent of women - - -

**MS MURRAY (BPWA):** No, the marketplace is not responding. It is responding in some of the corporate sectors, the businesses that know that they're going to get

this productivity increase. You said there were two groups of women: the low-income women and the high-income women. There are three. There's the small business woman as well and I think she's getting forgotten. And there are rather a lot of them out there. We need to build a system that can accommodate them as well.

**MS COLES (BPWA):** I'd like to say, we really do believe it should be all women getting it, otherwise it has the tint of welfare anyway and we don't talk about only some of the people doing Army Reserve getting paid for it. Excuse me, this is our next generation.

**MS MURRAY (BPWA):** Yes, it has to be universal for all women.

**MS COLES (BPWA):** What is so different about Australia compared with the rest of the world? It's ridiculous that we've been campaigning for so many years.

**MS MURRAY (BPWA):** I think one of the differences between Australia and the rest of the world is something you actually mentioned. It's long service leave. Australia is the only country in the world that has long service leave. I don't think very many Australians actually know that. We've relied on long service leave for many years as de facto paid maternity leave, which was fine when the baby boomers were having babies. Long service leave goes back to the old Commonwealth public servants coming out from the UK. It was a month on the boat back to Blighty, a month with the folks and a month back here. That's where it came from.

It gradually spread out so that people in the workforce who have been there for 10 years get long service leave. The generation X and generation Y do not work anywhere for 10 years. Long service leave is off the map for them and the government needs to understand, baby boomers are not having babies any more. They're the ones that are getting the long service leave. So the absence of long service leave is one of the reasons why we're now having a debate - finally - about paid maternity leave that most other countries had 20 or 30 years ago.

**MR FITZGERALD:** Just in relation to small business women and generally, a number of participants have indicated, as you have, that we need to ensure that there is a payment for those women. The issue there is that, with employees it's linked to leave taken. For small businesses, do you still maintain the link to leave taken?

**MS MURRAY (BPWA):** Yes.

**MR FITZGERALD:** It's a technical question because what you would imagine is that small business people would somehow ensure that they got the total payment but it's a significant issue because one is really about employment - part-time and full-time work with an employer or employers. Once you start to make a payment to

those in small business over and above what they would receive for the baby bonus if that's all they received - I just wondered whether there are issues there that we should be conscious of?

**MS MURRAY (BPWA):** There clearly are issues there and it isn't something that we've explored extensively. There are overseas models that I think we should be looking at.

**MR FITZGERALD:** Yes, I know there are and we are going to look at those as well, but I just wondered whether you have a particular view because it is a group of women that we are very conscious of, but what's the right treatment is the question.

**MS COLES (BPWA):** Yes, it's very difficult.

**MS MURRAY (BPWA):** We have had lots of discussions across the membership about that and there are a range of views.

**MR FITZGERALD:** Oh, good! We look forward to seeing some of them reflected in your submissions.

**MS MacRAE:** You did talk about the cost to business and I'd be interested in your views. I think, if I understand it correctly, your proposal is that the government would fund this in its entirety - as in, taxpayers; and businesses, being taxpayers, pay through that system but there would be nothing additional. If you were looking to, for example, have full income replacement so that those people that delay children because they can't afford it might say, "If we had a minimum wage sort of arrangement with the government, that's not really going to help us to bring it forward much," if that's a concern. Did you give consideration to possibly having employer or employee-funded top-ups, mandatory or otherwise and what was your thinking behind that?

**MS MURRAY (BPWA):** BPW women - business and professional women - around Australia are such a diverse lot that there are a range of views about that. Although we have come to a position on the principles about universal, government-funded paid maternity leave, and the capacity for paternity leave as well, there's quite a diversity of opinions about those sorts of areas.

**MS MacRAE:** So you're basically not going to put forward a view as an organisational point of view because of that diversity?

**MS MURRAY (BPWA):** Yes.

**MS MacRAE:** Okay. You do, if I understand it correctly, have individual

members and business - employer - members in your organisations. Is that right?

**MS MURRAY (BPWA):** No, we have members who work in businesses, who work in the professions, who work in government, who run their own businesses, of all ages.

**MS MacRAE:** Sorry, I was trying to get at - you would have people who, if the employer was to pay, they'd be the people paying?

**MS COLES (BPWA):** There are some who would, yes.

**MS MURRAY (BPWA):** Absolutely. We have plenty of employers and we have had some very interesting debates between the employers - in fact, the first thing that they often say is, "We can't afford to pay it." Of course, the response to that is - when I was first doing this data in around 2000, there were 160-plus countries around the world that offered paid maternity leave. Of those, two were employer paid, supposedly; which were Switzerland and Singapore. There's a reason for that. It doesn't work and it's not the right way to go. So why would we go somewhere where almost nobody else has dared to tread?

**MS MacRAE:** Although on the other hand, probably - the OECD countries are different because they have a social insurance scheme for many things and we don't and that is what makes us different. But most of them would have an employer-funded component in their arrangements through their social insurance.

**MS MURRAY (BPWA):** Yes, quite a few of them do.

**MR FITZGERALD:** One of the proposals that has been put forward to us by a number of participants has been that, to some extent in relation to the top-up over and above a minimum that the federal government would fund, that top-up should be funded through either a social insurance type scheme or a direct levy through the payroll tax system. I suppose the issue is that, whilst there are community benefits and whilst there are benefits for the individual employees and their family, there are also benefits to business. If that is so - and just assume that for one moment - then the question is whether or not there should be a direct contribution as distinct from an indirect contribution through general tax. It's an issue, as you say, that everybody has different views about. It's an interesting position. We're out of time, so thank you very much for that. Are there any final comments you'd like to leave us with before we finish?

**MS MURRAY (BPWA):** No, I think we've covered everything we wish to.

**MR FITZGERALD:** Thank you very much for that.



**MR FITZGERALD:** If we could have Bridget Partridge - okay, Bridget, if you could give your full name and any organisation you represent or, if not, just indicate that you're in your own capacity.

**MS PARTRIDGE:** My name is Bridget Partridge and I am here in my own capacity. I am 35 years old. I am married. My husband's name is Sean, and we have three children: Scarlett, who is five and a half; Solomon, who is four; and Phoenix, who is one. Sean is the primary carer for our children, and has been since Solomon was born. He is self-employed and works part-time as a mould maker. We use a combination of community child care and support from both of our parents to care for the children while Sean is at work.

I am the main income earner. I am an industrial officer at the Working Women's Centre. I have been employed with the centre in a full-time permanent capacity since May 2004. Sean and I were married in 2001. I was working full-time in the disability sector for a large faith based non-government organisation. We fell pregnant with Scarlett unexpectedly. At the time, Sean was studying full-time at TAFE. He had lots of contact hours. Scarlett was born in August 2002.

In the beginning of my pregnancy, Sean and I began to discuss just what we were going to do when Scarlett was born. We knew that I would be entitled to 12 months' unpaid maternity leave, but we also knew that I wouldn't be able to go back to my position full-time: first, because I was unsure if my employer would agree to a part-time return to work and, second, because of Sean's study commitments. So, early on in the pregnancy, to coincide with the school year, I resigned from my permanent position and reverted to casual employment with the same organisation in a lower position. I researched and found a degree I could do completely by correspondence. The plan was that I would study full-time at home whilst caring for Scarlett, and do the occasional casual shift.

The reason why I did this rather than just receive parenting payments, as I was entitled to, was because I felt like it was a massive step backwards to give up a permanent position and revert to a position of lower status and one that was casual. I was concerned that this would have a negative impact for me when I was going to be returning to the workforce. Enrolling into study meant that I was giving myself a better education and also contributing in the long term to advancing my career. It also would look better on my resume, I believed, than a drop from a senior permanent position in the disability sector to that of a casual. Even though raising my firstborn was important to me, I felt it would disadvantage me professionally.

I cannot tell you how difficult, despite Sean's and other family members' support, it was to get assignments in on time and to keep focused while studying, with a newborn; not to mention the financial strain. I add here that, because of the

financial strain, I began picking up casual shifts about six weeks after Scarlett was born. This was the only way that we were able to care for Scarlett as well as meet both of our needs to continue to develop ourselves professionally and keep connected and be competitive within the labour market, as well as trying to stay afloat financially.

We continued on in this arrangement right up until Solomon was born in 2004, the only difference being that I had changed employers. When I was seven months pregnant, I secured a casual relief position with the Working Women's Centre. My pregnancy obviously was not an issue with this employer. In December I had finished a short-term contract with the centre. I had no plans except to give birth for the second time, continue on with my study, and to make myself available for work. Solomon was born in January 2004. By this stage, Sean and I were really struggling financially. Sean was just about to finish his study, but his line of work meant that permanent positions were not widely available. We knew that he would have to make his own work.

Six weeks after Solomon was born, I got a call from the centre, asking if I could fill in for a worker who had given her notice. Sean and I knew that this meant that a permanent position would eventually be advertised, and acting in the position was a good opportunity to demonstrate my suitability. So, when Solomon was eight weeks old, I began working full-time hours in a casual capacity and Sean became the primary carer for Scarlett and Solomon. One of the reasons why I wanted this position with the centre was not only because I shared their philosophy and recognised the importance of the work but because they had amazing employment conditions, supporting work-life balance.

Breastfeeding Solomon was an experience. Every day I took my expresser in an esky on the train. I would express twice a day for at least half an hour each time, and then I would bring my milk home, for Sean to give to Solomon the following day. We kept this routine up for seven months. I will add here that I became permanent in the centre in May of that year. In the beginning I was very discreet with my pumping, but, by the end, my colleagues were so supportive that it was not an uncommon sight to see me expressing at staff meetings or whilst talking to clients on the phone.

I was extremely lucky to have been employed with the centre whilst I had a newborn. The centre promotes and practises family-friendly practices, which enabled me to exclusively breastfeed my baby and balance my life with my family responsibilities really well. Gaining this position and having Solomon happen around the same time was amazing. I am saddened, however, that I cannot remember Solomon as a baby as well as I remember my other two - two babies and lots of juggling to make ends meet and provide care for them, as well as keep

connected to the world of work.

In April 2007, I gave birth to our third child, Phoenix. The juggling act was much, much easier - for the first six months anyway - the reason being, quite simply, that I had access to 14 weeks' paid maternity leave. Combined with annual leave, I managed to have 18 weeks on full wages. We then used the baby bonus as wages for a few more weeks. I had told my director that I would definitely be taking 26 weeks off and then I would reassess the situation.

I managed to discover that I was eligible for Austudy for a six-month period. I then found a course to do through a private provider. Their requirement was that I do the course by correspondence in two years. If I wanted to stay at home for a further 26 weeks, then this was my only option. We could have arranged it so Sean would go on the dole and I would go on parenting payment, but that seemed to be a waste of government payments, as Sean was not going to be looking for full-time employment. It would have also been a waste of his time to look for jobs he had no intention of doing and, further to that, a waste of time of any potential employers.

I returned to work full-time in December 2007. Sean is still the primary carer. Scarlett now goes to school, Solomon is at child care and kindy, and Phoenix also attends child care two days a week. Despite having the full support from my workplace, I have to admit that I did find it hard returning to work. The position is extremely challenging and the workload is heavy. I can only imagine what it must be like for the hundreds of women I have spoken with who are returning to work after maternity leave without the kind of support that I am fortunate enough to have.

I am now still studying that same course and have to have it finished by this time next year. At times it is very difficult working full-time with three children as well as having my study commitments, but I would rather have this commitment than to have spent six months pretending that Sean was out job-hunting for jobs he wouldn't genuinely be applying for. My absolute preference, however, would be not to have been in the situation at all where we had to choose between Sean pretending to look for work or me having to take on this extra commitment. I would have liked, as the child-bearer and main income earner, to have had a full year at home with my baby, without any financial loss or detriment.

You can see that I had different experiences with each of my children, and I hope that I have made it really clear which one of these children came into the world with the least amount of stress and worry from his parents. Although I managed to breastfeed Solomon exclusively for seven months, Phoenix was able to be exclusively breastfed for nine months. As you can imagine, it was much easier doing it at home than at work.

As an industrial officer, I see how hard it is for women to cope with all that comes with the taking of maternity leave. I am aware that I am in an extremely lucky position that made the whole birthing experience of my last child so much easier, with less stress, and we were able to spend quality time together as a family to get to know Phoenix, as well as supporting our other two with this new addition. The paid maternity leave alleviated a lot of our financial concerns and impacted on my decision to take a full year off. It's been six months since my return, and my workplace continues to support me. On the odd occasion, the children have had to come to work with me, but we manage. My workplace is, like I am, committed to my family responsibilities.

I believe that a government-funded paid parental leave scheme should be introduced with a contribution from all employers. I believe the duration should be for 52 weeks and that the weekly wage should be the same as the worker's earnings. I believe there should be at least 14 weeks exclusively for the mother, with the option to return earlier if they choose to, with no loss to the 52 weeks, and I would like to see the baby bonus means-tested. I believe that any time taken off for parental leave, be it paid or not paid, should be counted as service for the purpose of calculating long service leave. I would like, more generally, for all women to have had the same experiences, or better, that I have had in regard to being a worker and being a mother. Thank you.

**MS MacRAE:** Thank you.

**MR FITZGERALD:** Thanks very much, Bridget. Angela?

**MS MacRAE:** There's quite a lot there to absorb. If you find some of this too personal, then please tell me - - -

**MS PARTRIDGE:** Sure.

**Ms MacRAE:** - - - and you can choose not to answer the question. Your first child, I think you said, was unplanned, and then your second child came relatively soon afterwards.

**MS PARTRIDGE:** Yes.

**MS MacRAE:** Was that planned? I just thought, given the stresses you'd been under with your first child, I was a bit surprised that you - - -

**MS PARTRIDGE:** That we did it again, yes.

**MS MacRAE:** - - - jumped into the pool again so quickly.

**MS PARTRIDGE:** We knew that we wanted to have a second child and, because I was studying full-time from home, although it wasn't an ideal situation, it was one that we were able to maintain. I did mention that we were struggling financially.

**MS MacRAE:** Yes.

**MS PARTRIDGE:** It was either that or wait longer, and I was concerned about how much time I was going to be out of the workforce, in considering when I was going to have another baby, so it seemed to make more sense to have two children close together, and I kind of figured that the nappies and the late nights and all that kind of stuff I could get over and done with. I think the more surprising thing is the third child, actually.

**MS MacRAE:** Right. Yes. It's just one of the issues that we haven't really talked about much today, which has been on our minds, is whether or not there should be differences for what particular issues come up with second and third and subsequent children because there's a lot of focus in a lot of the discussion about the first child, but less about the sort of flexibility and arrangements that might be required for the second and third because obviously once you've got one there are different requirements.

One of the issues there is around paternity leave as well and whether that's a bigger issue for the second and third because obviously you've still got to look after the ones you've already got. So I was just interested in exploring that a little bit further. I guess the workplace issues and the attachment issues for you were really - you're saying that squeezing the children - or having them close together gave you more of an opportunity to get back to the workforce more quickly, and yet still have some time with your children.

**MS PARTRIDGE:** Yes.

**MS MacRAE:** So all of that's of interest to us.

**MR FITZGERALD:** Just on that, one of the issues related to the design of the schemes is that over and above a certain threshold the payments would have to be pro rata according to the amount of work that one had prior. Many women return to work part-time and then when they have a second child they would be entitled to a much lesser amount if it's pro rata, and that's probably likely to increase for the third. So as the expenses go up for the second and third child the actual entitlement reduces. I'm just wondering whether you have a thought about that?

**MS PARTRIDGE:** Yes. I guess with my work hat on I haven't come across too

many women that have successfully been able to negotiate a part-time return anyway for their second child. I think that's a choice for each family. If a woman needs to return on a part-time basis and continues in that arrangement for however long then I guess they with their family would then make their finances based around that. So if the paid maternity leave or parental leave was going to be based on those wages I think that the obvious thing to do would be to be the wage that the person was earning before they took that leave. I guess again it's another issue that women are normally the ones that will return on a part-time basis because of their caring and responsibilities. I don't know. Maybe it would be better to have the full-time payment that they initially had.

**MR FITZGERALD:** Some schemes that have been proposed to us have said that there would be a minimum amount for the 12 or 14 weeks.

**MS PARTRIDGE:** Okay. Yes.

**MR FITZGERALD:** Which is not pro rata.

**MS PARTRIDGE:** A minimum federal wage.

**MR FITZGERALD:** A minimum federal wage for a period of time.

**MS PARTRIDGE:** Yes.

**MR FITZGERALD:** Others have said, no, it needs to be pro rata because of an employment-related scheme. There would be a safety net in that because otherwise you'd be below the baby bonus. But put that aside it just strikes us, as Angela said, the second and third child and the impact of both cost and prior employment and therefore the benefits is an interesting issue for us to just look at.

**MS PARTRIDGE:** Yes. I guess I hadn't sort of thought of the numbers in terms of someone that only works 12 hours a week and how that compares with the federal minimum wage. So I would say that my position would be less than the minimum wage.

**MR FITZGERALD:** Yes. That's right. Sorry, Angela.

**MS MacRAE:** I was just going to ask - you mentioned that your youngest child went into child care at some point. I was wondering at what age was that?

**MS PARTRIDGE:** He went in when he was nine months old.

**MS MacRAE:** Right.

**MS PARTRIDGE:** I put him in even though I was at home. I put him in the last term so that he could familiarise himself with child care.

**MS MacRAE:** Right. Okay. You were saying that your preference would have been to have had a full year off with him?

**MS PARTRIDGE:** I mean, that's what I did have.

**MS MacRAE:** Right.

**MS PARTRIDGE:** I had a full year off.

**MS MacRAE:** Okay.

**MS PARTRIDGE:** But part of it was paid. Half of it was paid, but the other half was accessing Austudy. So my preference would have been to have had a full year off on my pay.

**MS MacRAE:** Right. Okay. So would that have made a difference to when you would have put him into child care?

**MS PARTRIDGE:** Probably not.

**MS MacRAE:** No. Okay.

**MS PARTRIDGE:** I think I would have still put him into child care at that time anyway because the sole purpose was so that he could become familiar with - our daughter was starting school at that same time so there were lots of changes happening to our family. So it was great being able to have both Sean and I there at the same time to give that support to all of our children, not just to him.

**MS MacRAE:** And with your husband - as I understand it correctly he was self-employed?

**MS PARTRIDGE:** Yes.

**MS MacRAE:** Yes. Okay. So he'd have had no entitlement to paternity leave of any sort.

**MS PARTRIDGE:** He's in receipt of a parenting payment and the work that he does is minimal. We've made that choice so that he can be the primary carer at home.

**MS MacRAE:** Did you access some child care? Did you get the child care benefit?

**MS PARTRIDGE:** Yes.

**MS MacRAE:** Yes. Okay. I guess, again, some of the issues that we're grappling with are if the government is making money available for young children is there a reasonable balance that should be made between the money that the government funds for child care - especially for very young children - and the money that they put towards paternity leave. On the one hand are we saying, well, we think it's important mothers should be home with their children and we're giving some sort of assistance for that, but on the other hand are we saying, well, if we're subsidising child care for these same children - so it's almost a counter-view that it's important that - - -

**MS PARTRIDGE:** I don't know if I'm really qualified to make any comments on that. We've had the discussion about this amongst ourselves at work.

**MS MacRAE:** Right.

**MS PARTRIDGE:** I mean, although the sole purpose was to help Phoenix familiarise himself with child care it was also great for me to have a bit of a break as well.

**MS MacRAE:** Yes, I can imagine.

**MS PARTRIDGE:** I mean, I don't know. People put children into child care for a whole lot of different reasons.

**MS MacRAE:** Yes.

**MS PARTRIDGE:** So I don't know how you'd work it. I guess you don't want to be in a situation where you're looking at why one child should be in child care and another one shouldn't be, sort of thing. So yes, I'm not really qualified to - I think, again, it's going to be a difficult one to solve because everyone's family is different.

**MS MacRAE:** Yes.

**MR FITZGERALD:** Yes. Again, the issue only arises because you've got government or taxpayer funding and therefore where do you put resources. The other thing is are we sending mixed messages? You know, on one hand we're saying - clearly many participants' views are that the objective of these arrangements is to allow women to be able to stay at home with the children. On the other hand others



are saying we need to invest more heavily in child care for under 12 months. What is the objective we're trying to achieve? It's an interesting proposition. Others would say of course that's not the right trade-off at all and we have to make trade-offs elsewhere. It's an interesting issue.

But again, something that's been put to us - I'll ask this not only because of your personal experience but also because of your role in the industrial area. One employer - in government - said to us that once you've got to about 12 or 14 weeks of paid maternity leave they find that in their bargaining with their employees that the issue drops off and other issues become much more important. In other words starting from the base that you have a reasonable access to maternity leave, and their view of reasonable was about 14 weeks - - -

**MS PARTRIDGE:** Paid.

**MR FITZGERALD:** - - - fully paid, that in fact their workers are saying, well, given that there are other things that are much more important now in terms of the negotiation. I'm just wondering in your own personal experience is there a point at which paid maternity leave gets replaced by other issues as significant in terms of access to child care, flexibility and those sorts of issues? Now, I'm sure there's no magic figure. It's neither 12 weeks or 14 or 26, but there is a point that seems to be where many people start saying in order to return to work there are other issues that are of even greater importance.

**MS PARTRIDGE:** Like family friendly provisions. That sort of thing?

**MS MacRAE:** Yes.

**MR FITZGERALD:** Yes, all those sorts of things. I was wondering if in your own personal experience, and/or in the work you do, whether that's emerged. Some people have said that's not their experience.

**MS PARTRIDGE:** Right.

**MR FITZGERALD:** Their employees don't have that view. But it was just an interesting view put to us by an organisation who regularly negotiates with its workers.

**MS PARTRIDGE:** Yes. I mean, my experience as an industrial officer is that a lot of the women that we speak with don't have access to paid maternity leave so it's not even something - - -

**MR FITZGERALD:** I'll leave that with you.

**MS PARTRIDGE:** The main issues then are the return to work in a part-time capacity or extended for more than 12 months. So there are other issues definitely with taking maternity leave. I guess the great thing about having the Productivity Commission looking at paid parental leave is that it's going to raise all those other issues that are of huge concern like the return to work and breastfeeding and that sort of stuff at the workplace. I mean, the story that I gave - I don't know anybody else that has been in similar experience to myself. The only reason why I was able to continue feeding my baby like that was because my workplace was so supportive.

**MS MacRAE:** Yes.

**MR FITZGERALD:** One of the things in this inquiry - whilst it's focused around leave the terms of reference are actually broader than that. It's looking at support for parents of newborn children up to the age of two. So it's a broader agenda than just leave, although leave clearly dominates it as an issue.

**MS PARTRIDGE:** Yes.

**MS MacRAE:** All I can say is I take my hat to you. How you managed to do study and juggle three children and work - - -

**MS PARTRIDGE:** I have a standard line that I don't know if I did any of it really well.

**MR FITZGERALD:** That's true. All right. Any other comments - - -

**MS PARTRIDGE:** Yes, I just wanted to make a comment on - you were asking - I've forgotten the ladies' names that were on before. I spoke to the BPW about why not just give a lump sum of money and they talked about the welfare thing. I also think that having that paid maternity leave - if we're just talking about maternity leave - is a recognition of the work of women in the workforce.

So it's not - the baby bonus is money to help with the cost of having a new child, but having that paid maternity leave is - you know, it shows commitment to women in the workforce, recognising their role as mothers and workers. So it's a completely different issue to the baby bonus.

**MR FITZGERALD:** But in your proposal, you're thinking - let's assume that there was a government scheme up to 18 weeks or beyond that period, the baby bonus would be rolled into that payment - - -

**MS PARTRIDGE:** No, I would say that that was - - -

**MR FITZGERALD:** You'd say it's additional to it.

**MS PARTRIDGE:** It's additional, absolutely, yes.

**MR FITZGERALD:** Good. Well, thanks very much for that. We appreciate hearing about Sean, Scarlett, Solomon and Phoenix as well. So thank you very much for that.

**MS PARTRIDGE:** Thank you.

**MR FITZGERALD:** If we could have the YWCA if they're here. If you could give your full name and the positions you told in the organisation you represent, and then it will be over to you for some opening comments.

**MS LAMBERT (YWCA):** Okay. My name is Caroline Lambert. I work with the YWCA Australia and I'm their executive director.

**MS LEWIS (YWCA):** My name is Chelsea Lewis. I'm a policy officer at the YWCA in Adelaide.

**MS LAMBERT (YWCA):** So we're delighted to be here today. It's very exciting to be able to appear before the commission on such an important issue. I just wanted to acknowledge at the outset that we're meeting on Kurna land and paying our respects to the elders past, present and future. In the presentation today we're going to do three things we hope. One, the YWCAs have been meeting to discuss what we can offer to the commission and we've come up with four objectives that we would like to see realised through a paid parental leave scheme. So in the first instance we're going to go through those objectives, but we're also going to integrate - in the process of preparing the submission we've done some additional research ourselves, so we'll be integrating the findings of that research into explaining why we've chosen the objectives we've chosen. Then we have a model that we want to put forward, and then we also just want to reflect very briefly on the international legal obligations that Australia has or could have if it were to introduce a paid parental leave scheme.

At the outset, one of the discussions that we had was around language. We found we were always being clunky and we started talking about newborn family leave. We weren't quite sure if it was newborns, newborn or - but to us, newborn family leave enabled us to express the four objectives that we seek to have implemented through a leave scheme. So there are four objectives and we did actually outline them a bit when we first met, but we'll tell you again.

**MR FITZGERALD:** Good.

**MS LAMBERT (YWCA):** We have four objectives. One, the first, is achieving maternal welfare outcomes. The second is achieving child welfare outcomes. The third is family welfare outcomes and the fourth is achieving economic and social outcomes. These are all going to be covered in the submission that we're putting in. So I'm going to speak now to what we mean by each of those objectives and Chelsea is going to put the authentic voice for words that we've had from a number of people. Before I start going through them Chelsea is just going to give you a bit of background about what we did and who we talked to.

**MR FITZGERALD:** Please.

**MS LEWIS (YWCA):** Thanks Caroline. In recent months some of the work that we have done here in the YWCA of Adelaide and nationally with the YWCAs has directly informed the comments that we're making in the submission. Just to give a little bit of background, throughout March and April this year the YWCA of Adelaide conducted a range of consultations with women to inform the development of our policy platform. There were 125 women who participated and 70 per cent of them were aged between 12 and 30. The other 30 per cent were aged over 30. Some direct comments and quotes from the participants during that process I'd like to share with you. They include, "The only reason I haven't had a baby yet is because we don't have paid maternity leave. It is getting close to the point where it might almost be too late for me."

Another person said, "You can't be in senior management and work part-time." Another, "The emphasis must be on parental leave, for men as well as women to be involved and there. Women can't do it all. We can't. Men are still not doing their share. It has to be equal. My two daughters do it with their partners. They share everything and it works. It really works." In November 2007 the YWCA of Adelaide hosted a group of young women for a focus group with the sex discrimination commissioners listening to it. Two of the participants who participated in that group were aged in their mid-20s and they both commented that they work in the public sector, and that while they have considered at times maybe alternative employment they have chosen to stay there because of the entitlements that they receive including paid parental leave.

In the lead-up specifically for this submission, over the last three weeks we've conducted an on-line survey nationally throughout the YWCA network and more than 460 people have responded to that. 92 per cent of them were female, 71 per cent of them were aged between 20 and 39 and 85 per cent of them were employees, and we look forward to sharing some of their comments throughout our presentation.

**MR FITZGERALD:** Good.

**MS LAMBERT (YWCA):** So the first objective is to achieve maternal welfare outcomes. We understand the maternal welfare outcomes to attach to the experience of giving birth, and it's to enable the birth mother to prepare for and recover from the birth experience. So that's the first objective that we would want a paid parental leave scheme to realise.

**MS LEWIS (YWCA):** One of the participants from the policy platform consultations helped support this by answering the personal submission questions

that are on the commission's web site. She lives in regional South Australia, 80 kilometres south of Adelaide, so it's nice to hear a regional voice here in the city. She wasn't entitled to any paid parental leave and at the time her first child was born the baby bonus hadn't been introduced. She returned to work when her first child was three weeks old, and she says, "To be able to pay for my mortgage." When her second child was born the baby bonus and money that she had saved meant that she could return to work when her second child was four months old. She says that she had no choice but to return to work and that child care costs compounded their financial situation, but again she says, "We had to do what we could to keep our house."

She goes on to say, "I was a breastfeeding mother, so when I returned to work I spent my breaks expressing milk and going to the child care centre to feed my baby, leaving me with no break time to myself. I also had to get up at night to express to ensure she had enough food to last her through the day. This was a huge financial and emotional toll. I'm a social worker and, with my draining job, I was also sleep deprived.

**MS LAMBERT (YWCA):** The second outcome we're looking towards is child welfare. We've defined this within the context of breastfeeding. So all things being equal, being able to have a system that supports the breastfeeding parent to feed for the six-month minimum that the World Health Organisation have identified as being the kind of minimum standard that you would want to provide - in our submission we go into the range of health benefits that attach to breastfeeding exclusively.

**MS LEWIS (YWCA):** In the national survey that we did, one of the questions was, "How much time would you ideally spend with your child before returning to, or entering, the workforce?" A lot of people talked about breastfeeding in their answers and some people specifically referred to the World Health Organisation recommendation. My personal experience is that I exclusively breastfed my daughter until she was eight months old before introducing any other foods. I was working from home, so I was able to do that. She is two years and two months old now and I'm still breastfeeding.

**MS LAMBERT (YWCA):** The third objective - and this is where I start getting a little bit longer - is achieving some family welfare outcomes. By this, we're trying to embrace a broad understanding of family and to maximise the participation of both parents, or if that's a two-parent family structure, or the primary caregiver's in alternative models, to maximise their participation in the early childhood years.

We think that it's really important to do this to build stronger families; in heterosexual families, to enable men to participate equally in those early years in the raising of their children in that time; to, at a broader level, create a more equitable

split between, if it's a heterosexual family, men and women in terms of the general household responsibilities. The YWCA has a fridge magnet. Apologies to the boys in the room, but it says, "For all women domestic labour is a paid occupation whether or not they have full-time paid work. For men it's a series of tasks." By that, we understand that a lot of the intellectual thought that goes into running a household will often be done by the woman, and it's a list of chores on the fridge. So we hope that the fridge magnet sits on the list of the chores. But that's one of the other objectives that we want to see in the family welfare.

It's very important to us at the Y that we recognise the diversity of family formats that exist in Australia, and it's not just in terms of whether or not it's a mum and a dad, a mum and a mum, and a dad and a dad. It's also whether or not there are different circumstances. The house I live in has mum and twins. I'm staying there at the moment. When the twins were born, their dad wasn't on the scene. The aunt and the grandmother both took leave from their work to provide care to the twins when they were born. They're a family and yet they're not recognised as a family under our current legal structures. Colleagues of mine - the mother is just not able to care for her child, the father is not around, and so the grandmother is raising the child.

There are all sorts of family structures. That's why we started playing with the idea of newborn family leave, because it enables us to engage with a diversity of structures and to not kind of put a particular value judgment around who or what is providing the care. So when we talk about family welfare outcomes, we're really talking about, "What can we do to recognise the diversity of families in Australia and enable them to provide the best care possible to their newborns in the first few years of their life?"

**MS LEWIS (YWCA):** I've got a little bit more to say about family welfare as well. Just referring back to the young woman from regional South Australia, on the question of whether her partner took time off, she said that her husband would have loved to but that they couldn't afford it, and whether she would have liked to have waited longer before returning to work and what the benefits would have been, she says, "I believe that if I had more time at home, I would not have had so much physical and emotional strain. I have missed the opportunity to stay at home with my babies." She says that six months' paid leave would be sufficient and that she returned to the same employer, and she says they were very supportive and would have loved to have given her some paid time off. However, she says, "Working for not-for-profit community organisations, there is no allowance for this." Again, the sort of paid parental scheme that would help her most in balancing her work and family goals would be six months' paid maternity leave, then scope for part-time employment for a further six months.

I have submitted a personal submission to the commission and it's on your web

site. My daughter was born in March 2006. I was self-employed at the time and my partner was working as a casual, and so between us we had not one day of paid leave of any kind. Our daughter was born on a Friday night and my partner was back to work on the Monday and - this is going to make me cry.

**Ms MacRAE:** That's all right. It's okay, take your time.

**MS LEWIS (YWCA):** I'm so sorry. I didn't realise this would happen.

**Ms MacRAE:** No, no, it's fine.

**MR FITZGERALD:** I should just say that crying is allowed in our hearings, and it's happened many times. It's all right.

**MS LEWIS (YWCA):** Okay, yes. My mum - we came home from the hospital on the Monday, and he couldn't even bring her home. I started working from home when she was three weeks old, and I say in my submission that, if we could have afforded it, I wouldn't have done any paid work until she was at least six months old and that my partner would have had three months off and then returned to work part-time, in an ideal world. I've answered all of the questions in detail that you have.

One of the questions that we asked in our survey was what do people believe is the difference between the baby bonus and a paid parental leave scheme, and some of the comments I'd just like to share with you. Someone said that it would enable new parents to spend time with their child without the pressure, whether financially or socially, to return to work straightaway. On the question of "What do you believe is the ideal time to spend with your child?" there were almost 400 responses and it attracted a range of responses, generally in the time frame of six months to five years, so there was a lot of diverse opinion there, but most people commented on the need for flexibility. There was a lot of talk about flexibility, and also the need to acknowledge the diverse family formations that exist in Australia. For example, someone said:

As much as possible. At least six months, preferable a year, or as much as the parents feel comfortable with. If paid leave for both parents is available, mum could stay at home for a bit and then dad has a turn.

Another person said:

Clearly, there is no ideal time, but it's a matter for each family to decide.

In the section where we invited any further comments, one person said:



I would like to see fathers more involved with children from the beginning, so I support paternity leave. I would also like to see the topic of single parents and lesbian and gay parents addressed fairly and unequivocally.

**MS LAMBERT (YWCA):** The final outcome that we'd look for is economic and social outcomes. There's a whole stack of things that we understand attach under here. We're looking at achieving the facilitation of workforce attachment for caregivers. We're looking at providing appropriate and effective transition structures for caregivers to reattach to the workforce. We recognise that a paid parental leave scheme will actually go a long way to reducing the gender wage gap by providing mechanisms to support women's increased productive labour, and will contribute to the revaluation of caring labour not only in the home but also in the broader economy.

We reckon that a paid parental leave scheme is going to go a long way to reducing the incidence of women living in poverty, particularly in their later years, when they've lost a range of benefits because they've been out of the workforce. Social benefits include stronger family units, which contribute to the greater social connection among individuals and communities. So they're the four objectives. We also have some outcomes from the research.

**MS LEWIS (YWCA):** From the national survey on the question of the difference between the baby bonus and paid parental leave, a lot of people made comment about a one-off financial reward that doesn't last, compared to ongoing financial support which really supports budgeting and ongoing expenses, and some particular comments from respondents include - and these are their words, not ours:

The baby bonus is in the league of a gimmick and it's patronising. Paid maternity leave is a genuine acknowledgment of how seriously we take the wellbeing of children and parents and the value of the work and care involved in raising children to be healthy members of society.

Another person says:

It allows you to stay connected to your employer and gives the flexibility to spend more critical time with your baby. It's better linked to women remaining in the workforce and building a career path. It's better for the whole family. Paid maternity leave would mean I have a job to return to.

On the question of the ideal time to spend with your child before returning or entering work:

I returned to work when my child was seven months old. I think this was too early, although my workplace and family have been very supportive. However, I did it for financial reasons. I believe nine to 12 months is the ideal.

Ideally, two years full-time, but, recognising both the need for many parents for paid work and the need of the economy to retain skilled workers, probably 12 to 18 months.

I believe that a parent should be able to spend time with their child at any time they want -

and this person talks about mid to late primary school. Under the section of "Any further comments":

I think an equally important issue is ongoing flexibility of work arrangements on return to work, and quality child care options. The first five years of your child's life is when all the blueprints are formed from parental family love and guidance. I am positive that many more parents would choose to stay at home with their children for longer, rather than returning to work, but they are just not financially able to.

And another comment:

Children are the most important thing. Support at the earliest stages of life are stitches in time.

**MS LAMBERT (YWCA):** So how do these objectives play out in a scheme? We've been watching the submissions and the inquiries with great interest, and one of the things that we think has been really fabulous is the maturity of the movements that are presenting here, because there's a real diversity in views and yet we're all very comfortable with that. And so we're going to put forward another model. But, yes, we are really proud of the fact that that's what's happening.

We would like to see a model where each family unit can access a non-vesting entitlement to 39 weeks of paid parental leave, and it's comprised of the following. The first component is a taxpayer-funded provision to provide for paid parental leave to the minimum wage. The second component is a mandated employer contribution to provide for between 75 and 80 per cent of income replacement levels, and we think that that should be provisioned for on an employer-by-employer basis. That stems from our belief that this is a cost of business and, as such, should be borne through business. Finally, there is a voluntary employer contribution to provide full

income replacement level, to be again provisioned for on an employer-by-employer basis, and it may be that, with the programs going forward of a government contribution, a mandated contribution, you would get further than 39 weeks being offered by employers that want to be seen as employers of choice for people with caring responsibilities.

**MS MacRAE:** Sorry. I got the taxpayer-funded minimum wage part, the mandated employer part. What was the last part?

**MS LAMBERT (YWCA):** A voluntary employer contribution to top up to the full income replacement level. A second component is that the scheme should be implemented in a flexible manner. For example, the leave should be able to be taken either full-time for nine months or at a fractional rate for a longer period up to a maximum of 18 months. Paid parental leave should be able to be accessed over a two-year period, enabling carers to assume different roles at different stages of childhood development. Paid parental leave should be able to be taken concurrently within the family unit, enabling primary care to be provided by more than one person at any time. Paid parental leave should respond to diverse family structures, recognising that primary care may be provided at various times by other family members. A third component is that there should be provision for both paid maternity leave and paid parental leave, and we think that it's important to distinguish between the two.

**MR FITZGERALD:** Can you just say that again?

**MS LAMBERT (YWCA):** Yes - so that there would be a period of paid maternity leave, and that would attach to our first objective of recovery. We don't feel like we have the medical expertise to be able to say exactly what that should be, and we would think that there would be people out there who would know. After that, there would be a period of paid parental leave, which would achieve the child, family, social and economic welfare objectives, and that would be the balance of the nine-month period once you'd taken the paid maternity leave period off. So that's the basis of the model. I wanted to go through - well, would you be interested - - -

**MR FITZGERALD:** It might be helpful if we could ask some questions in a moment, so if you've got any final comments you'd like to make, and then we'll - - -

**MS LAMBERT (YWCA):** Yes. I'll just reflect really briefly on the international legal obligations.

**MR FITZGERALD:** Yes, please.

**MS LAMBERT (YWCA):** There's a range of international legal obligations that

attach to the issue of both maternity, parental and family-friendly work practices. They're found in the UN Convention on the Elimination of All Forms of Discrimination Against Women; the International Covenant on Economic, Social and Cultural Rights; the International Covenant on Civil and Political Rights; a range of International Labour Organisation conventions - convention 156 on equal opportunities and equal treatment for men and women workers, on workers with family responsibilities; and there's an ILO convention 180, which is the maternity leave convention, which is where the 18-week minimum standard that has been quoted comes from. It's a recommendation 191.

Australia hasn't ratified the ILO maternity leave convention, and we've got a reservation to the CEDAW provision on paid maternity leave. However, what I find interesting is that the International Covenant on Economic, Social and Cultural Rights also contains a provision on paid maternity leave and we haven't reserved that. So adoption of a paid parental leave scheme would enable the Australian government to remove its CEDAW reservation on the provision of paid maternity leave and would also let us ratify the ILO maternity leave convention.

In our submission we go into a little bit more detail about what the range of obligations that attach to those conventions are, and also look at some of the implications for any paid parental leave scheme - the implications it would have on a sex discrimination framework and amendments that may need to be made to that. So that's it in a nutshell.

**MR FITZGERALD:** Thank you very much. We are looking at the international obligations. Just a query: the ILO is 18 weeks, which we've heard. I must admit I thought it was a lower period.

**MS LAMBERT (YWCA):** There was a recommendation adopted in 2000. It's recommendation 191. So the convention speaks to a lower period - I think it's 14 - and then the recommendation brought it up to 18.

**MR FITZGERALD:** Sorry. Well, can you clarify that, because I must admit I had thought it was 14, and in a number of previous hearings people have referred to the ILO of 14. Here in Adelaide, everyone has referred to 18, and I was going to ask Angela why am I wrong. You might explain that to me. What's the difference between 14 and 18?

**MS LAMBERT (YWCA):** The convention speaks to the 14 period, and then the ILO adopted a recommendation, I think it was in 2000, which said, "We reckon that 18 weeks is what's required."

**MR FITZGERALD:** Sorry, what's the difference between a recommendation and a

convention?

**MS LAMBERT (YWCA):** A convention has a much more vigorous negotiation process. It's over a two-year period. You know exactly, with the ILO, when they're going to adopt a convention because they have a two-year period, and then a recommendation is more the expert body. It's still done in the tripartite model and, again, you can kind of sign on to say that you agree to the terms of the recommendation. The recommendation I think only has about eight to 12 people that are signed on to it.

**MR FITZGERALD:** Thank you for that. That's very helpful, because I must say as the morning went on I was starting to doubt whether I understood the ILO convention at all. Angela might want to start off.

**MS MacRAE:** I'm still trying to get my head around how the model would work. I guess one of the key things is, if I understand what you're proposing correctly, you'd have the 39 weeks and basically that would be in respect of a child, and, because of this diversity of family format, you'd really be saying that, aside from the part that's quarantined for the mother, you'd allow any other primary caregiver to take the balance.

**MS LAMBERT (YWCA):** Yes.

**MS MacRAE:** Okay. Are you looking at a flat rate of payment there or are you looking at - no, sorry, because you've got the employer top-up.

**MS LAMBERT (YWCAM):** Yes.

**MS MacRAE:** Whoever took the leave, it would be based on what the mother's entitlement was for those weeks?

**MS LAMBERT (YWCA):** It would attach to the workforce, so if you had the mother taking six months and then the - - -

**MS MacRAE:** Let's take a grandmother, not take a father, just so I can look at some of the differences in your model.

**MS LAMBERT (YWCA):** Yes. So mother takes six months and grandmother takes three months. The grandmother would access the benefit through her employer and the mother would access the benefit through her employer.

**MS MacRAE:** But the grandmother's payment would be based on the mother's entitlement?

**MS LAMBERT (YWCA):** No, it would be based on her entitlement.

**MS MacRAE:** Okay. If she wasn't working there would be no payment?

**MS LAMBERT (YWCA):** She would get the minimum - - -

**MS MacRAE:** Sorry. If she wasn't in the paid workforce.

**MS LAMBERT (YWCA):** Yes. She would get the minimum amount that the government would render.

**MS MacRAE:** Yes. Okay.

**MS LAMBERT (YWCA):** So through the minimum wage contribution.

**MS MacRAE:** Okay. Right.

**MR FITZGERALD:** Just on this, the 39 weeks. Why have you come up with 39 weeks, which is different from everyone else's?

**MS LAMBERT (YWCA):** Yes, I know.

**MR FITZGERALD:** So what's the logic or the thinking, or the rationale, that sits behind that number of weeks?

**MS LAMBERT (YWCA):** We had really quite intense debates about - originally we were putting forward the six-month model. But one of the really difficult things we had was because we've got the four objectives, and particularly the child welfare attaching to breastfeeding, and then balancing that against the family welfare objectives of being able to break down some of the ideas about boys go to work and girls stay at home. So we found it really difficult with the six-month provision to break the nexus between exclusive breastfeeding and trying to reconstruct notions of care.

So because what we've come up with - a number of organisations have put forward models which say six months which gets you to full income replacement. What we've done is say, well, no, let's break that nexus and go to nine months. That gets you to 75 per cent so it comes out at about the same amount of economic contribution, but you're beginning to really push some boundaries on being able to enable men or grandmothers or aunts - whoever it is - but primarily we're interested in re-conceiving the gender or the caring roles, so enabling men to be able to be engaged. Having that nine-month period we felt really enabled us to do that.

**MS MacRAE:** It would then allow you a period of concurrent leave as well.

**MS LAMBERT (YWCA):** Yes.

**MS MacRAE:** Then the mother could still be home for the six months.

**MS LAMBERT (YWCA):** Yes.

**MR FITZGERALD:** I was just going to say that what we know is that if you have a payment arrangement up to 39 then people will take you on that although yours is at 75 per cent of replacement if there's no voluntary top-up. I'm just asking Chelsea, I mean, what from your point of view - you may have already said it, but just to clarify, what would have been the ideal period of time from your point of view if you'd been able to be away from work?

**MS LEWIS (YWCA):** I did mention it but I might have still been a bit emotional at the time. I think for me I wouldn't have done any paid work for the first six months.

**MR FITZGERALD:** Right.

**MS LEWIS (YWCA):** I went to paid work part-time outside of the home when my daughter was 12 months old. For me I was ready. For her I think it was too soon. But yes, I wouldn't have done any for six months and I would have liked my partner to not do any for three months in an ideal world. But just on your comment about people taking longer, my sister lives in England and she's entitled to 12 months' paid maternity leave, and she's just returned to work after her second child after taking nine months. So she's gone back earlier, yes.

**MS LAMBERT (YWCA):** Certainly as an employer that's been our experience. The Y has provision for paid parental leave. In some instances we've found employees returning to work slightly earlier than we would have thought they might have, but also we've had men and women taking up the provisions and that's been quite an important outcome for us in being able to support the male employees at the YWCA to be able to participate.

**MS MacRAE:** Can I just ask you: when we saw you previously, you talked about the possibility of being able to give us some more data about what had happened with your employment patterns and things since you've introduced your scheme. Are we going to be seeing some of that, as in the Y itself? Are you likely to be able to give us some of that?

**MS LAMBERT (YWCA):** I think we might have lost sight of that, but we can certainly look to it.

**MS MacRAE:** It's just that that would be useful for us, particularly because you'd had relatively recent changes, and so there might be patterns there that you could draw out. That would be helpful.

**MS LAMBERT (YWCA):** We can do that.

**MR FITZGERALD:** One of the issues for us is also that this is not a high priority of yours, except for the fourth one, which is the economic and social objective. A number of participants have put strong weight on workforce retention and return to work, and we've mentioned this this morning: there is a tension between enabling women to be able to stay at home longer to be able to look after the child and yet at the same time one of the primary objectives of these is to enable women to return to work without significant disadvantage in order to boost the productivity of both firms and the economy. One of the things we're interested to see is what actually has happened. What's happened with firms that don't have paid schemes, or what happens in firms that do have paid schemes, and is there a discernible difference between the two, but particularly for organisations that have just introduced one, what's actually happened, because at the end of the day we hope ours is grounded in the reality of the workforce as it is and as it might be. So that would be helpful.

**MS LAMBERT (YWCA):** Certainly I can speak to two experiences. The Y of Canberra have introduced this paid parental leave scheme and they are very clear on its benefits to retention, and particularly because in Canberra you're competing against the Australian public service and the ACT public service, and so they know that they have not only retained staff but they've recruited staff in the community sector because of their conditions.

**MS MacRAE:** Sorry, just to be clear about that, are you offering more generous arrangements than the public sector?

**MS LAMBERT (YWCA):** We're offering the same. What it enables women to do is to stay in the community sector rather than transferring into the public sector for conditions.

**MS MacRAE:** And it sounds like you might have a bit more flexibility around parental entitlements, as in partners can take the leave and that sort of thing.

**MS LAMBERT (YWCA):** Yes, we do. I think an interesting experience - the Y Australia has four staff. Half of them are pregnant at the moment, and we're losing one staff person entirely, despite the fact that we have leave, because of the child



care costs of her returning to work after her leave period. The general rule is that most of the employees take a year and then come back to work, and she just says, "It's just not cost-effective for me to have to put two kids - - -"

**MR FITZGERALD:** Has she had the child?

**MS LAMBERT (YWCA):** No, not yet.

**MR FITZGERALD:** What we've heard is that most people tend to wait until they're due to return to work and then resign, so that their options are left open. I'm intrigued as to why she's come to that decision before.

**MS LAMBERT (YWCA):** When she first spoke to me, it was because of the child care costs, and then there's some mobility stuff around her partner's occupation, so she just felt like it wasn't fair on the employer to do that. We've had really long and detailed conversations about how we could overcome that, but it just really kept coming back to the cost of child care.

**MR FITZGERALD:** Can I ask a detail in relation to the design, but it's particularly pertinent to the second and third child, and that is your payment pro rata; that is, if you work part-time you only get a part-time equivalent. One of the interesting effects of that is that we think that most women return part-time before the second child, and then of course that means their entitlement is reduced. I was wondering what was your thinking around how you handle particularly that second and third child.

**MS LAMBERT (YWCA):** Within our scheme it attaches to the wage that you are on in the previous 12 months. No, we decided against that. It attaches to the wage that you're on at the time that you take the leave. I think for us, because we conceptualise it as a leave entitlement, then it does attach to the conditions that you're employed under at the time, and we recognise that it's kind of perverse that at the time when you need more money because you've got your second, third, fourth, whatever, child coming along, you're going to be getting less, but - - -

**MR FITZGERALD:** Then a question is: assuming the baby bonus continues for women who are not attached to the paid workforce, does that payment in your model continue to be paid to people in the workforce or is it absorbed into a government-funded scheme? You may not have considered that.

**MS LAMBERT (YWCA):** Yes, we actually didn't really discuss that. The discussions that we had were more about ensuring that there wasn't a tier below workforce attached to parents who received a lower payment through the welfare system, so we are of the view that a review should take place of the welfare system

to ensure that whatever payments you get for parenting through the welfare system match the minimum wage contribution that the government will set forward, and that that should be available.

**MR FITZGERALD:** Let's just assume for a moment that you're in full-time employment and you get paid parental leave. You wouldn't get the baby bonus on top of that? Or you haven't considered that?

**MS LAMBERT (YWCA):** We actually haven't considered it.

**MR FITZGERALD:** That's fine. It's just a tricky issue now that we have a means-tested instalment based baby bonus.

**MS LAMBERT (YWCAM):** We can go away and think about it some more.

**MR FITZGERALD:** That's good. I'm grateful for the survey results that you've done and the groups that you've spoken to, because that's going to be very important.

A question that I have raised earlier in the day is - and the answers so far have been consistent - some people have said to us that the paid maternity schemes are important up to a certain point, but beyond that the issue of child care, flexible arrangements, all those become more important. As I said to previous participants this morning, there's no magic figure around when that happens. But one of the dangers is that we put too much of our resources into one instrument, one tool, that is paid maternity leave, when in fact a sharing of those resources into child care and others might be more beneficial. In your surveys, I was just wondering what sort of feedback you were getting as to the importance of paid maternity leave, particularly parental leave, vis-à-vis other issues which are important, but what's the balance? From a public policy point of view, the government must say, "Well, where do we put resources," given there's a finite pot.

**MS LEWIS (YWCA):** I think there was an overwhelming response from people making comparisons with other countries and talking about how far behind we are regarding paid parental leave. In the "Any further comments" section, that's where a lot of the extra stuff came out and, you know, I truly believe that equal attention needs to be paid to quality affordable child care and the right to return to work part-time, all those sorts of things. So it is on people's minds absolutely, but I think that the paid parental leave momentum and movement is really important. I mean, we had more than 100 responses within an hour of sending out. You know, it was phenomenal, the response rate. You know, there's one comment that I've got here from someone who says, "It's too late for me. My family have had no ongoing financial help. However, bring it on for those who follow." That's the spirit with which people are talking about this.

**MS MacRAE:** Could I just ask then what would you see - if we were to introduce a scheme such as you're proposing, what would you see as the likely behavioural sort of changes that we might get and what would the benefits of that be? I mean, primarily we've heard a lot about income support and the financial stresses people are under, so that's one thing. Then I think it would be fair to say that in general people are saying they'd like to take a longer period off than they currently do and we would see some of that, but do you have much of a flavour for how people see their return-to-work options as a result of paid leave and those sorts of things, and anything else you might want to say on those general behavioural changes?

**MS LAMBERT (YWCA):** I think what we would hope with a nine-month model is that you would see - you would certainly see more men taking leave, and so then you actually have a more equitable distribution across the economy, particularly in terms of the segmentation of industries according to feminine and masculine labour. So you might be able to start getting a more even spread if you had a system that encouraged men and women to think about taking that period of leave.

**MS MacRAE:** Was there anything else about return to work that people discussed?

**MS LAMBERT (YWCA):** For us, it's part of a whole package and that's why our third and fourth objective around family welfare and social and economic welfare are so important. In the submission we speak to - you know, you've got to maintain the tension between them, or the balance between them. For us, it is part of a broader sweep of affordable and accessible child care and flexible return-to-work practices. You know, by that we understand an increase in part-time positions for both men and women. We are looking at the way the family tax benefits are structured through the taxation system and having those so that they can - well, they can support families in a way to share their caregiving responsibilities more equally.

But also things like job sharing arrangements and encouraging employers to look at that, because I think if you can engage more men and women who have caring responsibilities at an earlier stage things like having to retrain and reskill employees, the costs associated with that diminish. Certainly in the Y of Canberra, when people are on paid parental leave you can still access staff training and development opportunities. You won't get paid for the time that you're doing it, but the Y of Canberra will make a contribution towards child care costs. So there's those sorts of things, which go to workforce attachment and skill retention, that I think are really important benefits.

One of the things that we say in the submission is that too often the costs to business are bandied around and spoken about with great authority, but the benefits to business of retaining, recruiting and maintaining the knowledge transfer or

maintaining the knowledge within an organisation - the modelling that we've used when we've looked at provision for maternity leave, maternity leave or parental leave, doesn't build in the benefit analysis. It just tells us, you know, the dollar terms of what the provision will cost. So we don't actually have an accurate picture, in economic terms, of the cost of not providing it.

**MR FITZGERALD:** All right. Any other comments? Thanks very much, Caroline and Chelsea, are there any last comments you would like to make?

**MS LAMBERT (YWCA):** We had some purler comments in the surveys, which we thought we'd share with you at the end.

**MS LEWIS (YWCA):** I've shared one of them, about the person who says that it's too late for them. There's another one which - I know it gets said time and time again, but someone wrote it, "If men had babies we'd have paid parental leave already," and another person who said, "Parenting is one of the most important jobs in our society, if not the most important, and it is currently very undervalued. I think paid parental leave is an appropriate way to acknowledge people who choose to step out of the workforce to care for a baby, and I think it should be offered as a flexible package that allows either parent to play this role, or for it to be shared by both."

**MR FITZGERALD:** That's fine. Thank you very much. We'll now adjourn until 1.15 if we can. Thanks very much. We have four participants, I think, this afternoon.

(Luncheon adjournment)

**MR FITZGERALD:** Okay, we might just resume. Thanks very much. The airconditioning is off, so that means that we can hear. If you could give your full names and the organisations that you represent, that would be helpful. Then over to you and then we'll have some discussion and questions. Who wants to start?

**MS WATSON (AAIMH):** I'm Sally Watson from the Australian Association for Infant Mental Health, South Australian branch.

**MS RYAN (ECA):** Kate Ryan, Early Childhood Australia, South Australian branch.

**MS LINKE (AAIMH):** Pam Linke. I'm the national president of the Australian Association for Infant Mental Health.

**DR SVED WILLIAMS (NIFTeY):** Anne Sved Williams. I'm here as chairman of the South Australian branch of National Initiative for the Early Years, NIFTeY.

**MR FITZGERALD:** Terrific, thank you. Over to you.

**MS WATSON (AAIMH):** I guess just to start we want to say that as the three organisations that have infants as our focus, we really are talking from the perspective of how infants would be affected by paid maternity leave; and that what we are arguing is that if the needs of this group are met in our society, then we will benefit. If they're not, then we will stuff up. So we'll be talking about the benefits to infants of this paid maternity leave.

There are lots of arguments in favour of paid maternity leave, paternity leave and parental leave. We'll outline those and the best outcomes for infants the principal ones being that mothers and infants - and it means that things like breastfeeding are much easier, that things like birth weights are increased and the outcomes for infants generally are much better.

There is international consensus that if the infants have responsive, sensitive care in that critical time then that's going to have really good outcomes. Again, we'll be presenting some ideas around if parents are able to be home with their infants in the critical years - about the outcomes for that. We acknowledge that - and while we're on the same page, paternal leave - is that work is a financial necessity for most parents and that most parents would like to spend time with their infants when they have them but often it's difficult because of the financial necessity of working as costs increase, and that there has been an increase in the number of women that go to work but without a corresponding decrease in fathers working, which has meant that children are increasingly having to have alternative care. It's not like dad is picking

them up, it's that they actually don't have a parent around. I'll just hand over to Pam and Anne to talk about the infant brain development.

**MS LINKE (AAIMH):** I thought I'd focus strongly on infants and need of infants, following what Sally says, because apart from infants having rights like everyone else, what we do with them is what the future is for everyone. So when you read these things in the paper that parents take on infants and they're not a social responsibility - I think you've probably heard lots of people say those infants will be looking after them in their old age, so I'd just like it documented anyway.

I just put down a couple of things that I was going to talk to. If you look at the first page that I gave you, the first thing that often comes up in discussion about infants is, people say children are resilient. The research doesn't support that infants are resilient. Bruce Perry, who's a world leader in trauma research says exactly the opposite, that infants are malleable and able to be shaped or formed by the experiences that they have. He gives an example of, for instance, for a teenager - if they don't get touched, they can probably go about two weeks without being touched. An infant going two weeks without being touched is likely to die. It's that different.

Another thing that some of the research says about infants is that one of the things they need to do in their early months is regulate their heart rate, regulate their sleep, regulate their body temperature, all of those things. What has been found where infants are in care of a number of people in those early weeks and months is that they regulate much slower; and this is largely an infant in hospital, for instance, who has changes of staff, changes of shifts, however caring they are - obviously something is slowing down their normal developmental processes.

Finally - at least on this page - there have been some studies done in the states and starting to be emulated here about the impact of stress on infants' cortisol levels. Anne is a doctor, so if you want to, ask her the detail; but cortisol is the stress hormone that affects all your body organs and if it's up all the time, obviously it's doing some damage. I don't think people exactly know what, but with infants when they're stressed, their cortisol stays up over days rather than comes down to a normal level, so I think we have to take notice of the research.

If you turn over - I don't think you need to read all the detail about the attachment stuff, but that's there for you to read in bed. That's really about the research that is current now - it has been around for a long time but people are taking notice of - that if children have a secure attachment with their main caregiver, they do better in the world. They do better socially, they do better academically, they're less likely to get into trouble with mental hospitals or the police, things like that; and secure attachment comes from responsive caregiving by one or very few carers because it helps the children learn to make sense of the world. If a different person

responds to an infant every time they cry, they can't make sense of how that response is, so they don't develop that secure attachment in the same way as if they have ongoing - in their early weeks and months - responsive care. That's another thing that the research is really quite strong about.

Then I've got some little pictures for you about firstly why it's so important in infancy is that the brain and biological development - the most critical period is before birth but they get pretty well cared for before birth unless something is wrong, like mum is drinking or smoking too much or something; then in infancy, then toddlers down that track. If you look at the next little picture about human brain development, synapse formation, you can see that most of the major pathways in the brain are developed before the child is one year of age, so that we are all born with our genes but the pathways which are going to be the way that we behave, the way that we respond, the way that we react, are all developed in that first year, so it's really important that we put in effort in that first year.

If you go over to the next page I've just got a little bit of research about infants of depressed mothers. While we're not really talking about depressed mothers, I think you could say that stressed mothers also can't respond to their infants. And while people talk about quality care at the end of the day, when you've been at work all day and then you come home and you have to get the dinner and feed the baby and organise the house - I know from my own experience with grandchildren and my own bringing up children, some time ago now, that you aren't at your best at the end of the work day when you've got to rush around and do all those things. Mothers are stressed and that carries over. So that's in comparison to if you get really nurturing mothering. This is an experiment with monkeys but a lot of people have extrapolated that to humans - that, if you get really nurturing parenting, you get children that rise to the top of the pack and can do all the things that we want for our children.

I don't really want to take any more time but just have a look. If you have a look at the last page, right on the back, I've got a little picture of what ideally parents can provide for children, which is a secure base where, as the child goes out to try things, to explore, to crawl around, whatever they do, there is someone that they know and they trust watching over them, helping when they need it. And when they feel sad and when they need comfort, there's someone to go back to. That stuff is really most important in the first year and then two years of life. So really I'm trying to make a case for infants.

**DR SVED WILLIAMS (NIFTeY):** I'm talking next. My name is Ann Sved Williams, and I'm a psychiatrist. I've worked in the field of perinatal - in other words, antenatal and postnatal - perinatal psychiatry and infant mental health for more than 20 years, so I have a lot of knowledge of and interest in and, I think, expertise in that area. I suppose my belief in the value of paid maternity also comes

as obviously informed by the work that I have done over that period of time, and I'm just going to really add to what Pam said - a wonderful foreground already for the work on an entrance frame.

But I'm just going to expand on that, because it's clear to those of us who work in the field how important that is. So I wanted to talk just a little bit about mothers' mental health and I wanted to talk about infants' mental health, and then how the mother and infant together are so important; then, lastly, why paid maternity leave might make a difference and perhaps why that should be paid by the federal government as well, because that's certainly my strong view. There's certainly been a lot of work to show that mothers who have control over their lives - and I'd like to say that I'm talking about positive mental health rather than the lack of mental illness, because they're two quite different things - we say that's "neutral".

There's positive mental health which is feeling good and having the energy to do those things that one needs to, and below a kind of neutral line we think of that as negative or mental illness, and I'm not particularly talking about mental illness although it's perfectly clear that mental illness has a substantial impact on someone's ability to parent. There isn't really clear evidence to show how much that is all influenced by maternity leave, but it's very clear that positive parenting health is influenced by good control over one's life. So those people who have sufficient money to meet their needs and who have control and choice are much more likely to stay in the realm of positive mental health and therefore be able to do those parenting tasks which infants really need. There's plenty more I could say about the mothers but we've just got such little time here, so I'll move onto the infants because that is our particular focus today.

I want to come back to the circle of security, which is that circle which Pam presented to you, because I think thinking in diagrams is the simplest way that I know. So that circle of security, as Pam has already said, is that the upper part of the circle is a child exploring the world. When a child is exploring the world, which is the upper part of the circle, that's when they're learning, that's when they're trying to comprehend and make sense of the world and, at the apex of the circle, what happens is that a toddler suddenly has a need, feels anxious, and they must at that point - their thinking goes from the front part of the brain, their forebrain, and immediately retreats to the midbrain, and I'll come to those - because I've got some diagrams - in a minute. The minute they're anxious, they can't think as well, and really all they need at that point is the security of a person who has been there for them. As Pam has already explained, that person is there for them because of the repetitive actions over minutes and hours and days and weeks and months, so the child knows that that's a predictable pattern.

At the bottom part of the circle, the child returns for the nurturing needs that he



or she needs. A baby's needs can be satisfied literally within seconds, or certainly within a very short space of time, provided that they feel secure, provided that right person is there, and then they can very quickly move back into the upper part of the circle, so where they start to explore again. You can see that the more that an infant is nurtured by their needs being met by a familiar other who they feel comfort and security with, they actually learn, they're in a position to learn in the world much more.

That also explains it, and I've also attached this page which has got some rather interesting quirky little diagrams, should I say, downloaded from the Internet to have a look. The first one is a brain cut in halves - and you've got that one there.

**MS MacRAE:** Yes.

**DR SVED WILLIAMS (NIFTeY):** Have you got this one?

**MS MacRAE:** Yes.

**DR SVED WILLIAMS (NIFTeY):** The first one, as you can see, is just a picture of a brain cut down the middle. The brain is an incredibly complex structure but I think it's possible to simplify it into a very simple way, so that's what I've done. As you can see, the hindbrain is the bit of the brain that comes up from the spinal canal, and that really is the part of the brain that is responsible for basic life functions such as breathing and heart rate. Then the next part of the brain, the middle part which has got that letter C, that's responsible for somewhat higher functions, so things like temperature control and appetite control that more advanced animals have and babies have both the hindbrain and the midbrain very well developed by birth, and it's also the seat of the emotions, so there's a very, very complex power play within the midbrain which is all about infants' emotional regulation. Then all of the other what we call grey matter, or the forebrain, is about thinking and controls all the higher functions that human beings have.

In a baby, that part of the brain is hardly developed at all, so what's really important in this context to talk about is that, because the birth canal is tiny, an infant's skull needs to be small to fit through the birth canal and that's why little brain development has happened by birth. So in the first two years of life, which is the period that we're talking about, the infant brain goes from very small to almost adult size, so most of brain growth - macroscopic anatomical brain growth - actually happens in the first two years of life. So we know that there's a rapid expansion of nerve activity and generation in those first two years. But beyond that, we know that from the work of people like Allan Schore that the actual microscopic development of the brain is dependent on experience, so although the potential is there genetically it has to be that nature and nurture combine so we're long past the arguments that it's

all about either nature or nurture. We know that it must be the combination of how nature and nurture intertwine.

You can see that I've simplified those into the hindbrain and the midbrain, which are well developed at birth, but the forebrain really is hardly there at all, and it's by that interaction of the smiling, the eye gaze between mother and child, that's what actually helps the child's brain to grow. The simplest analogy I can give is that of a tree, which is why there's a tree there. We can think of the connections between the midbrain, the emotional part of the brain, and the forebrain as really being like a tree. So what's there? The midbrain and the hindbrain are really like the roots that are there. There's a very small root system in the tiny sapling that's there at birth and, if that sapling has exactly the right sort of nurture, just like a sapling if it's got proper sunshine in a direct way and water and nutrients in the soil, it grows up straight and the leaves branch out very quickly. There's a lot of twig development and there's lush development of leaves, and we actually know that an infant's brain is pretty much the same. You can measure the differences at the age of one with a child that's been well nurtured compared to a child that's been poorly nurtured. So we're absolutely clear that, from an anatomical point of view, nurturing a child in the first year of life is actually crucial to its ongoing development.

From my point of view, there is no question about it, that adequate care, parental care - it doesn't have to be the mother but there actually are probably some even biological reasons why a mother is the better carer. We know at birth that an infant can actually pick its own mother by the smell of the breast milk. We know that an infant can see from there, from the breast to eyes, that that is the actual focal distance that a child can see at birth because nature has primed children to be looked after by their mothers, and really it's very hard to fight against biology. We know that there are multiple reasons and I'm not going to talk about breast-feeding because I think you've had other submissions about breast-feeding. To me that's just a given - that breast is best - although there are sometimes reasons in the field in which I work for not using breast milk. But certainly there's no question about its importance and there's no question that mothers who can make those choices are more content. Therefore, I believe that I can see that positive mental health for the mother is likely to produce an infant who is better nurtured, and that nurturing by one or several - a small group as Pam has mentioned - is really clearly biologically the ideal for a child.

So why should there be paid maternity leave? Well, it's very clear from the mental health literature and in old cultures that it takes a village to raise a baby. Our culture has gone in a very wrong direction by putting all the problems back to nuclear families. Nuclear families don't do well with babies, babies do well in villages, and I think our federal government needs to be seen as the village that needs to raise these babies, so to me it's about paid care coming through federal government.

**MS WATSON (AAIMH):** Just to build on that in terms of why. What we know is that low-income families particularly are often less likely to have access to paid maternity leave - where it does exist - and that they're often the ones that are least able to negotiate sort of reduced hours and unpaid leave as well.

So if we're saying the importance of infants having a parent with them, and particularly mother in the early time, that we really need to make that possible for all families. I guess low income families are most vulnerable for a whole lot of other reasons as well, so we need to support those.

I guess there's also widespread evidence that if the relationship is working and if we can support the parents, we find that there'll be good outcomes for the child as well, increased birth weights and things like that. One could argue also, "Why not just have unpaid leave?" One of the reasons is one we mentioned before, that often for people on lowest of incomes that's just not an option that they do have to continue to live. But also the research is fairly clear that unpaid leave doesn't have the same protective factors as paid leave.

There's also some research that's showing that paid leave is found to reduce deaths of infants. There are some papers that have shown there has been significant reduction in infant deaths when there's been paid leave available. From the world health that Anne was referring to as well, what has been found is that children whose mothers have more than 12 weeks' leave are more likely to be breastfeeding longer. We know the benefits of that. They're more likely to be fully immunised. We know the benefits of that to the community.

They're more likely also to receive the recommended preventive care - sort of go to the well baby clinics and go to the support groups and the new mums' groups and fathers' groups that exist, which are really important for the mother's wellbeing but also for the baby's wellbeing - and that they're actually able to be involved in early intervention programs. They're available to do those things. When their child is sick, they're able to go to the doctor with them, they're able to go to the nurse - and they have, in themselves, a huge benefit. They're the sorts of factors that are really significant and I think maternity leave should be available.

**MS RYAN (ECA):** I'm going to talk a bit about child care and what might be happening for infants in the current situation where many families are obliged, because of the financial situation, to return to work before their child is one, even. Quality in child care, I have to say, has been very much on the agenda for some years now; within services themselves but also on government agendas.

Despite our best efforts we still are probably not providing optimal environments in child care for infants. Regulations for child care vary across the

states but in South Australia our regulations require only one adult for every five children under two. Even in centres where management are making those determined efforts to put more staff into these areas, often there are situations that are less than desirable. A typical room for infants can have anywhere between eight children and 20 children, so the group size is quite significant. Generally, while children are able to attend from about six weeks of age, mostly we have children from three months to two years within one room. With that group, there could be anywhere between two and five carers and even more if the carers work part-time themselves.

I have a couple of example scenarios that happen on a regular basis in childcare centres that might highlight some of the difficulties. This is about carers having to prioritise the needs of infants, so one infant's needs are categorised as more needy at any given time. Quite often you might have one adult responsible for three children in a room and both children need bottle-feeding at the same time. Recommendations would be that those babies would be held, fed, that eye contact that's necessary for brain development would happen. It can't happen if both of them are needing it at the same time, so probably what would happen is that both of them would be propped on cushions and either feed themselves or have a carer holding two bottles and trying to manage the other children in the room.

Sometimes things will happen, like a child will be ready to go to sleep but the lunch trolley arrives and the other children need to be fed their lunch, so that child just has to wait until someone can be ready to rock them. A very common scenario is that there'll be a room with 12 children under two with three staff. That's a 1:4 ratio which in South Australia is doing pretty good, compared to the regulations. We could have a situation where a child needs a nappy change and the carer therefore leaves the room, leaving two adults in the room. Another child might be being nursed to sleep, which in practical terms leaves one adult with 10 children. So if someone falls over or vomits or something, it's nasty.

There would be a range of scenarios that happen in lots of different child care centres. I'm talking about scenarios that happen in the best of quality of centres, and we can't expect these carers to do any better than they're doing in this situation. Some of the research that Pam talked about with the cortisol talk is beginning to show that cortisol levels of infants within these rooms is going up high very quickly upon arrival and stays high all day. One of our questions, I guess, has been that the provision of paid maternity leave enabling parents to stay home for 12 months could actually free up some space in our very well-utilised child care centres. Our waiting lists are enormous for the infant room, and there could be some cost saving because care for infants is very, very expensive.

**MS WATSON (AAIMH):** Just to conclude, I guess, is that what we see is the

provision of care and employment policies that best meet the needs of children, and therefore ultimately best meet the needs of the whole society do require public resources and political and public support so that it's actually in the best interests of the infants and all, and that that needs to be paid so that the choice is real for parents; that as I've said before that if it's not paid leave, then it's actually not a real choice probably increasingly as interest rates go higher and petrol rates go up. It's just becoming less and less of a real choice for people in the lower incomes, and often they're the infants who are most vulnerable.

I guess based on what we know about the critical years in brain development that Ann and Pam particularly talked about and the significance and importance of responsive, sensitive, consistent care in ensuring optimal brain development in the first two years of life, we'd propose that ideally we should be able to support parents if they could have up to two years off; that the first six months be paid full-time and the second six months part-time and the second year of the life be an option - a real option - of unpaid maternity leave or paternity leave - paternal leave, parental leave - in that second year, and that it is a responsibility of our community and I think of the government through the taxation system.

**MR FITZGERALD:** Good. Thanks very much for that. That's terrific. There are a number of questions that arise, and we've had the benefit of other participants in relation to raising some of the issues that you've raised. So your ideal scheme is two years, as you've indicated with up to 12 months being paid in some way, shape or form. One of the issues that has been raised is whether or not you can achieve these outcomes without introducing a leave scheme. In other words, if you simply increase the baby bonus or other payments to deal with the income issue, the income drop, then in fact that may be a better way to go than introducing paid leave schemes, and obviously universal payment would provide maximum choice in a sense (indistinct) and what have you. So I'm just wondering why you believe, although I could probably guess your answer, that a paid leave scheme is the appropriate way forward rather than an income supplementation, which to some extent might get you to the same place in terms of income. What is it about the paid leave scheme that is particularly important to you?

**MS LINKE (AAIMH):** What do you mean by income supplementation?

**MR FITZGERALD:** Some people have said to us that you don't need to introduce a paid maternity scheme. You just simply need to increase the rate of the baby bonus. So you provide the amount of money, but it's up to the family as to how they use it, and that in fact you would achieve the same results as you would if you had a paid leave scheme.

**MS LINKE (AAIMH):** I suppose if you were very poor, you might want to spend

that money on something, as some people do with their baby bonus, and I would like to say really strongly that I don't think we should take that money away from people who are not working because they're probably the most needy to have help with their infants, but if you're arguing for the infant, then you're arguing for someone to be around for the next year to look after them, and the people that get the baby bonus who aren't working will have that. The people who are working might choose, especially if they're trying to pay off a mortgage, to pay off their mortgage just because they're desperate. So if you're arguing for the infant, you wouldn't argue that.

**DR SVED WILLIAMS (NIFTeY):** Exactly, and I can only say that in the field in which I work, quite often the baby bonus is spent on drugs that the partner uses - that get control of the card, et cetera. I'm sure you've heard these stories. To me, it's not viable. The bigger the money gets the worse the problems have become in those areas. We know several babies that have been born for the money and then the infants' needs are not part of the picture at all. I can't see it being viable.

**MS WATSON (AAIMH):** It's a way of supporting the parents to be - - -

**DR SVED WILLIAMS (NIFTeY):** Absolutely. Yes, to be there with the child. I agree absolutely with Pam.

**MR FITZGERALD:** Just related to that, the period of time of payment: your model proposes a 12-month payment, albeit of different levels. Already we have about 60 per cent of women who don't return to work within the first 12 months. One of the questions that government will ask is what level of additional benefit can you get by introducing a scheme over and above that which you already have. Many people have said 12 months is the ideal; you've gone for two years. But to allow people the opportunity to stay at home for 12 months, you may only have to pay for six months. In other words, people will split it in half and get there, so the question of the payment and the length of time are not necessarily exactly the same. People will in fact be able to use the funds differently.

So I'm just wondering your view. A number of the schemes have in fact put forward - as you heard, the ACTU has got 14 weeks, a number have 26 weeks, one today of 39 weeks. Yours is 52. How vital do you think payment for 52 weeks is to achieve the outcomes that you want, and could you get away with a shorter period? I'm not trying to be miserable about it, but, from government's point of view, they want to achieve maximum benefits for the least cost, which is the way in which it starts.

**MS WATSON (AAIMH):** The families that I guess are the most vulnerable are the ones that don't actually work at all. Those are the ones with the lowest income. I

think that possibly for people on a middle income, that is probably something that can work, but people on the lowest of incomes do need (indistinct)

**DR SVED WILLIAMS (NIFTeY):** We did have a discussion about the time. I actually have a Swedish daughter-in-law, so she tells me two years is the way to go, but we don't think Australia is up to that yet.

**MR FITZGERALD:** We're not at 14 weeks yet.

**DR SVED WILLIAMS (NIFTeY):** We're pragmatists, and so we thought a year paid, but even, we'd suggest, six months full-paid and six months part-paid, because we think that's reality based in terms of increments that Australia might be able to cope with in the theoretical sense.

**MS RYAN (ECA):** And the government is already contributing, through child care benefit, to parents who return to work anyway.

**MR FITZGERALD:** We are looking at all of those interactions between family tax benefits and the child care rebates and the baby bonus to see what, if any, impact a paid parental leave scheme would have on those or should have on those. It may have none. We'll have a look at that.

**MS LINKE (AAIMH):** And there's the research that shows that in countries where there is good leave for parents they do return to work after 12 months. This is just anecdotal I guess, but I think that what's happening now is that a lot of parents don't feel ready to go back after that 12 months, but they actually are forced into a position of resigning for the two years they (indistinct) so I guess from a productivity point of view, then if we can keep them able to return to the workforce when the child is still (indistinct)

**MS MacRAE:** Just in relation to the design in terms of it being fully government-funded, Australia would go from being behind the pack to being a bit of a leader if it was to be a fully government-funded six-month income replacement. Most countries that look at income replacement require employers to make some sort of contribution at least to that. And the emphasis that you've had on the low-income end of the spectrum and the difficulties that those people in particular have in returning to the workforce - I just wondered if you'd considered a model that says that you might look at income replacement up to a certain level and cap it, because the people that are on higher incomes may well have voluntary top-ups from their employers and they have the wherewithal to extend any sort of unpaid leave, and whether or not you see that as a good thing.

**MS LINKE (AAIMH):** I think that's quite logical myself.

**MS MacRAE:** That's reasonable?

**MS LINKE (AAIMH):** Yes.

**MS MacRAE:** Okay. At the end of the day, if I was to say, "What's the ideal outcome you're looking for for a scheme?" you would really say that ideally if parents could be home, or at least one parent could be home, with an infant until that child turns two, that would be your sort of nirvana.

**DR SVED WILLIAMS (NIFTeY):** Exactly.

**MS MacRAE:** And in terms of scheme detail, you'd be saying if we can find the evidence that would give you that sort of outcome, that's really the sort of scheme that would most fit?

**DR SVED WILLIAMS (NIFTeY):** Yes, that sort of a summary.

**MR FITZGERALD:** Then can I ask the question about quarantining. In your proposal are you putting forward that there be a period quarantined exclusively for the mother? The second part of the question is, are you suggesting a quarantine period exclusively for the father or other primary caregiver? Most models have got some elements of quarantining in them, both internationally and domestically, and I was just wondering what your view about that is, or is yours a model that, irrespective of who the primary carer is at a given time, that's the critical issue? A number of people who come from child wellbeing issues have been quite specific, that you have to quarantine the first 12 or 14 weeks. Whatever you do with the father, whatever you do with the shared arrangements, if you don't do that, then you don't achieve the benefits. The converse of that is most women will stay at home for that period of time anyway. So I'm just wondering your view on that.

**DR SVED WILLIAMS (NIFTeY):** Biologically it's very clear that the baby is actually tied to its own mother and so the infant's needs are best met by the mother being there, but unfortunately, or fortunately in the society in which we live where people have different expectations, the element of choice is actually important, as I've said. So some parents actually prefer that the mother goes back and the fathers do it. In the generation that I've been working, I've seen fathers parent very well very small babies. They obviously don't do the breastfeeding as well.

**MS WATSON (AAIMH):** I guess there would be some exceptional circumstances when the mother is just unwell and so in fact it's not in the best interests of the child to have the mother as primary caregiver, but that's in exceptional circumstances.



**MR FITZGERALD:** But they would be the exceptions.

**DR SVED WILLIAMS (NIFTeY):** That's a carer situation though.

**MR FITZGERALD:** The other thing - and it's related - is we had a presentation from somebody from the University of Newcastle the other day in relation to research on the father-child bonding. What he put to us was interesting. He said, "What we've done is we've constructed this world which says that the bonding between the child and the mother was central and that we should then provide paternity leave in order that the father can support the mother." What he was saying is in fact the evidence shows that the reason you would have paternity leave is in fact the child-father bonding and that that has been displaced, so that the father was now the support role to the mother and the child.

Interestingly, in the presentations over that two days, 80 per cent of them were exactly constructed in the way that he described: the father supporting the mother bonding with the child, and he was the only one that actually mentioned reports of the bonding. He also indicated the research is not strong and it's not as robust as that between the maternal bonding of the child. I was just wondering what your thoughts on that would be, and he was making the case for early paternity leave concurrent with the mother being at home.

**MS LINKE (AAIMH):** I think if you're looking at it from the infant point of view solely, then you would have to say that, "Yes, ideally that would be lovely," but if you have to choose whether the mother can have a bit more time or the primary caregiver - we haven't discussed this - but my view would be that you make sure that that infant has the best secure base and then you try to involve father bonding where you can, and certainly that's really important. We know that fathers that do take a part in the care of their infants are less likely to abuse them down the track, so there's obviously a case for it; but if you had to make a choice, my personal view would be that at least for the early months you'd go for the mother.

**DR SVED WILLIAMS (NIFTeY):** If I could make a comment from my work and readings over time, because I've been particularly interested in other cultures, what happens really through the world through the millennia as across the world, and it's really clear that it takes a village to raise a baby, which I'm sure you've heard. But it's very clear over the years that mothers in isolation don't do well. From the infant's point of view, as far as I understand it, biologically speaking, a mother-infant pair who are supported by someone or someone else, and certainly a father, I can understand from the male point of view and modern society suggests it's ideal. It's great for a baby and the father if they have a close bond, but grandparents and various other extended family in the Aboriginal view is all the other - and I've done a lot of work with Aboriginal people. Their view is that it's not particularly the father

but all the other female relatives who have a particular role with that baby, so you can extend the discussion much further that the infant's needs are best met by extended family, and I'm not sure - I mean, yes, men can be prioritised, or grandparents or other people, and it's the involvement of the whole culture in a baby's life that's rich for it.

**MS WATSON (AAIMH):** I think there is research to suggest that the father does offer something different to the relationship in terms of attachment and so on and also there is actually very similar work that shows that it's actually the second year of the child's life that the father plays a particularly important role in terms of the child's development, so I guess that's sort of like if you've been able to make the two years available it might be that (indistinct)

**MR FITZGERALD:** I would be interested in the research to which you have referred, if you can direct us in relation to that.

**MS WATSON (AAIMH):** Certainly.

**MR FITZGERALD:** It's an interesting issue. As you're aware this inquiry is about children up to the age of two: whilst the focus is on parental leave, in the very early stages, the inquiry sought as much order and knowledge that it could have so we would be interested in any information you have around the second year of life, because very few people spoke about that and yet that is part of the inquiry - - -

**MS WATSON (AAIMH):** Can we just follow that through?

**MR FITZGERALD:** Yes, that would be just fine.

**MS MacRAE:** The other interesting issue - and we're running out of time - I was just interested in the discussion about child care and what can typically happen in those rooms and I take all that on board. I have put this to other people, as well, but if there was a choice about - obviously the government's pot is limited in terms of the funding it has got. Would it be better, do you think, or is it possible to make the inaugural preference that the government, instead of subsidising that very early child care - which is very expensive - if those funds could be redirected to maternity payment? Do you think that would be a preferable thing to do? I mean, obviously there would always be somebody needing some care for their young ones but, if you like, it's sort of mixing all through the government, that you are saying on the one hand, "We want parents to stay home and that's why we're giving them paid leave" but on the other hand, "We're going to subsidise if you go back to work early and give you a spot in a child care centre".

**MS RYAN (ECA):** I think one of our strongest arguments is that we think that

people do better when they have choice, so I don't think we want to take away a whole scheme that enables someone who may have to return to work to then have to pay full fees for child care, because that would become unaffordable for them then anyway. However, having said that, having that choice, what the research tells us is that most women would choose to stay at home with their baby, could they afford it, and therefore the amount of younger ones in care should, in theory, lessen, which means those situations would happen less often; you might have one child who requires being bottle fed during the day as opposed to four or five.

**MR FITZGERALD:** Does the position change dramatically after 12 months? In other words, you're saying that the desirability is to have the mother - or a primary carer - being able to stay at home for up to two years. In relation to child care it appears that most people believe that the greater investment is in relation to trying to afford the opportunity for them to stay home - or the father to stay home. After 12 months obviously more women will return to the workforce. What's your view about child care for that group for that 12 months to 24 months? Is it significantly different from what you have described for very young children or is it much the same?

**MS RYAN (ECA):** Not significantly, no. It still can be problematic; however Early Childhood Australia, for example, recommends a ratio of one to three for that age group.

**MR FITZGERALD:** And for that group, as well.

**MS RYAN (ECA):** That's what we're towards and quality services are working towards achieving those ratios and that would be more achievable; developmentally children start becoming - their routines become more simple across the day and they become more independent and so their fiscal care needs lessen.

**MS LINKE (AAIMH):** However, one to two-year-olds can be very vulnerable to separation anxiety; being put into group care can be really, really stressful for them and I have seen that with people on my staff who have come back to work and their children getting sick all the time. Now, that is partly because you get sick when you are exposed to lots of kids and then you don't get it when you're five, but it's still very hard and being really distressed. It depends a bit on the child; it's a continuum, but it's still not easy.

**MR FITZGERALD:** If I could ask a general question before we wrap up. You would be familiar with the work by Heckman and others in relation to the notion of investment in early years paying substantial dividends later. There has been some controversy about the way in which in Australia, and other countries, that work has been used. In other words, what he has said is that all of his experimentation was

based on children from disadvantaged and vulnerable families and that the benefits for those families of much greater investment in the early years is fairly profound, but the argument is that that is not the evidence for children from other backgrounds and what has happened is that we have extrapolated from an experiment around a particular group of people toward a broader, community-wide basis, and the question here is, what would your view be about that because there is some logic that children from certain vulnerable backgrounds would benefit from intensive activity and others may benefit less - they probably don't go backwards, but the benefits are not that great - and what we've done here is we've taken one set of studies and virtually extrapolated to everybody and, as a consequence of that, what happens with government resources is that it gets dissipated rather than targeted, so the consequence is there. I'm just wondering whether you have a view about that?

**MS LINKE (AAIMH):** I think that those studies have been expanded to be anything you do is going to give you a value of one for seven - one dollar for every seven put in - and of course that's wrong. If a child wasn't going to be in prison anyway you're not going to save prison costs because you've helped another child, but we don't really know the long-term effects of parents not being there - what sort of stress that puts on infants has not really been examined and I don't think you can draw a conclusion that that is not in itself a stress for infants, particularly young infants, so that we might be going too far the other way. Certainly I think those intensive programs which we do in South Australia to support mothers who are vulnerable are not going to show the same evidence for mothers who aren't vulnerable, but those a very intensive, high-cost programs, rather than giving good, optimum care from a home to a child, which is totally a different thing.

**MR FITZGERALD:** Is there research that you are aware of in South Australia itself that would be valuable for our consideration over and above that which the national bodies and that have provided? Has there been work done here that has been done on a case study basis or a small group that would help inform us more in this inquiry? You might just have a look and see because sometimes in the states there is quite good work which we don't actually hear about.

**MS LINKE (AAIMH):** The program we're involved in is an intensive support program for mothers who have infants who are vulnerable. I don't think that really applies. In a sense it does because if you can build up what those mothers can do - those families can do - for their infants to be a bit more like others, then you would be doing something for them, but I don't think it directly applies and I don't know of any work here on maternity leave or paternity leave and the research on children in long day care is very equivocal; it's coming in dribs and drabs; a lot of it is driven by people with strong positions. I think we have to wait and I think we don't want to take risks with infants while we wait.

**DR SVED WILLIAMS (NIFTeY):** I suppose the only work I can think of - which is drawing a long bow, I suppose, but it's actually the program that Sally has been involved in, which is based at a child care and provides child care, but with the addition of one day a week with trained therapists for mothers who have compromised mental health and the outcomes for those mothers and babies - there have been articles in the paper this week - have been quite outstanding, so it's very clear that when you have the mothers and babies and the support systems that they need, it's really - as I said, it's a long bow, but it's working in that direction.

**MS WATSON (AAIMH):** And I think what that does is it supports more the idea that you're saying that if parents are able to be home that they be involved in (indistinct) individual point of view, so yes, it's - - -

**DR SVED WILLIAMS (NIFTeY):** It would be worth providing that.

**MR FITZGERALD:** Yes, that's fine, and we can just assist with however long it is. Are there any final comments you would like to make before we wrap up? No. Thank you very much for that.

**MR FITZGERALD:** If we can have the next participants, Australian Mines and Metals Association. How are you? Robert Fitzgerald.

**MR PLATT (AMMA):** Chris Platt.

**MS TRETHERWEY (AMMA):** Hello. Alice Trethewey.

**MR PLATT (AMMA):** Chris Platt. Pleased to meet you.

**MR FITZGERALD:** If you could give your full name, the organisation and the position you hold within that organisation, and then some opening comments, then we can have a discussion, so that would be great.

**MR PLATT (AMMA):** Thanks for that. Christopher Platt. I'm the general manager, workplace policy for the Australian Mines and Metals Association.

**MS TRETHERWEY (AMMA):** And I'm Alice Trethewey. I'm the policy and employee relations assistant of the Australian Mines and Metals Association.

**MR FITZGERALD:** Okay, over to you.

**MR PLATT (AMMA):** I thought what we'd do is we would talk to the submission that we'll formally lodge next week. By way of introduction, the Australian Mines and Metals Association is an employer organisation that represents all of the major mineral, coal, hydrocarbon producers, as well as significant numbers of employers in the construction and maintenance sectors in the resource sector. As a result of the broad membership within the resources sector, we are able to articulate the workplace relations needs of the resources sector.

Our sector in the last 18 months contributed \$108 billion of mineral and energy exports to the Australian economy. This represents about two-thirds of Australia's total commodity export earnings and is set to rise this year to a forecast contribution of \$115 billion. AMMA supports the key social objectives of this inquiry that focus on the health and wellbeing of Australian families during childbirth and the period after childbirth, the addressing of the issue of the decreasing fertility rate in Australia and its consequences for the Australian economy.

Our industry, as you'd be well aware, is suffering from skill shortages and we obviously need to make sure that our domestic population is replaced as well as other methods of addressing our shortages. However, we do believe that despite the delivery of those social benefits and the fundamental goals, are goals of the Australian community as a whole and that the burden in providing and supporting those goals ought not to be borne by Australian employers on their own.

The Forward with Fairness policy of the government deals with employee entitlements to access maternity and parental leave under the National Employment Standards, and whilst we have a draft standard which indicates or is based upon an Australian Industrial Relations Commission test case decision pre-Work Choices, the standard will not be finalised until 30 June. In that respect we don't propose to make any comment on those who can access parental leave, but we may need to make a supplementary decision once the National Employment Standards are delivered on 30 June.

We contend that an entitlement to parental leave - and by using the term "parental leave" I'm referring to the three types of leave - should be a precondition to receive any payments in respect of that leave. So the first issue is whether or not the employee is entitled to the leave, and those provisions will be contained within National Employment Standards and deal with issues such as the length of time of employment, and that's required before you access leave. So in respect of this inquiry, our submission focuses on the payment that would be attracted during a period of parental leave.

We say that the benefits that would come from the introduction of compulsory paid parental leave will benefit not just employers but the Australian community in general, and that supports the reason why we say that the cost base should be spread across the Australian community and, therefore, we contend that if a compulsory paid parental scheme is introduced, it ought to be funded by the Australian government.

The duration and the quantum of the payment under a government-funded model should be determined by our capacity to afford the payment, subject to our economic capacity and competing interests for government revenue, and we say that a compulsory government-funded scheme providing payment during a period of parental leave should apply to employees universally regardless of the employment jurisdiction, be it state or federal, and regardless of the occupation or the industry in which the work is performed. We propose that such a scheme would best be implemented via a legislative arrangement rather than through the award system. The administration of the scheme should also be a function of government.

In respect of our contention that the scheme should not be provided by the award mechanism, we say that the award system should not be able to contain provisions concerning payments in respect of periods of parental leave, so the entitlement will come from the National Employment Standards and the expectation of the framework is that the awards will not be able to deal with the National Employment Standards other than to clarify their operation, and what we say is that the subject of payment of parental leave should not be an allowable matter for the

purposes of an award. We say that to avoid the need for having test cases and ongoing debates about that in the award system.

We also contend that protected industrial action - that's industrial action that can be taken lawfully without recourse to civil suit by employees once certain criteria have been met - should not be available in respect of claims which include a claim relating to a payment of parental leave or during periods of parental leave. This would exclude top-up payment claims or claims for payment for employees who do not qualify for parental leave.

With respect to noncompulsory employer-funded parental leave - and we're talking here about employers who, for reasons of being an employer of choice, choose to make voluntary arrangements with their employees for paid parental leave - we acknowledge the right of an employer and employees in an individual workplace to negotiate arrangements that are mutually beneficial to them, and to the extent that the additional employment-based parental benefits are considered relevant, we say that voluntary enterprise bargaining is the best method to progress those considerations.

However, we say that employers should not be required to participate in compulsory arbitration of claims concerning employer-funded parental leave, and that protected industrial action similarly in respect of award matters should not be available concerning claims about the payments made during parental leave.

In respect of the noncompulsory employer-funded leave, we've surveyed our industry's current experience, and our survey has revealed that 30 per cent of our members who responded to this survey had in place a paid parental leave scheme; that the duration of the payment ranged between six weeks and 16 weeks, with the remainder of the 12-month leave period which currently applies unpaid. There's a range of eligibility criteria, but the overwhelming trend is that a minimum length of service of 12 months applies. The motivation of our members for providing unpaid parental leave varies, but generally the employer is seeking to be an employer of choice. 96 per cent of the respondents indicated that it introduced the policy to encourage the retention and attraction of employees and to improve employee engagement, and that was their primary objective of introducing the scheme.

Those are the key features of our submission, and those are the matters that we wish to address you on.

**MR FITZGERALD:** Yes, terrific. Thank you very much. Andrea, do you want to start off or me?

**MS MacRAE:** No, you're right.



**MR FITZGERALD:** You want to start?

**MS MacRAE:** Okay. It's off the topic slightly from the specifics you've given us, but we've heard quite a lot this morning that South Australia has skill shortages, but at the same time seems to have quite a high number of women who are either looking for more work or looking for work and we're just wondering if you're aware of whether the employers are responding to that in ways that would look to offer more salary packages, if I can call it that, that are relatively attractive to women and for those schemes of your members, the 30 per cent that offer parental leave, are you able to say whether it's a relatively new phenomenon and has it been typical of employers who are looking to increase the participation of women in their workforce?

**MR PLATT (AMMA):** Okay. I'll deal with the first issue in relation to the skills shortages. We do have skill shortages across the industry and particularly in areas where there is a level of skilled work and semi-skilled work, and we are taking into account a range of activities to try and redress that balance. Some of it is the provision of training to those people who might not have the formal skill requirements but are a good fit, and it's a question of bringing them up to speed. We're also investing in training facilities and encouraging universities to bring out new graduates to assist our needs. We're also looking at, and we are currently a high user of the migrant visa arrangements for skilled and professional employees, and we are constantly looking at other ways of addressing the issue.

Statistically our industry is a low employer of women. That's not to say that women aren't sought out. Anecdotally, my understanding is that in terms of driving large vehicles on the mine sites such as the haul packs in the iron ore industry, women are actually the preferred applicants on the basis that they treat the vehicles better, and at \$50,000 a tyre, the way that you drive a vehicle is very important to our industry. The average wage in our industry is \$4 short of \$100,000, and the ladies that are driving those haul packs in the Pilbara are on between 120 and 130 thousand dollars, so I think it's very attractive. But the issues that might make it not so attractive, particularly to a person with a new or a young family, is that none of our mine sites are located within a reasonable distance of a central business district; that the majority of the mining operations are working 12-hour shifts and working compressed rosters, and a significant number of them are working fly-in fly-out arrangements.

I'm aware that within our membership, they are doing everything possible to attract and retain their employees, and if that means they can accommodate a changed circumstance to allow the employer to work in their existing or in a similar job by changing fly-in fly-out arrangements or job sharing, then they will do so. But

the fact that we're located remotely; that the health care standards aren't always identical to those that are in the capital cities is a barrier that would be very difficult to overcome. In respect of the survey and how long we have been doing it for - - -

**MS TRETHERWEY (AMMA):** Only one indicated they had the scheme for about six years, but that was really the only indication of how long they'd been in place.

**MR PLATT (AMMA):** We didn't specifically ask that question.

**MS TRETHERWEY (AMMA):** No.

**MR FITZGERALD:** You've acknowledged that there are social benefits and social aspects to this, but there are also benefits to business. As you know or might be aware the ACTU yesterday put forward a submission which has a base government contribution but a mandatory top-up by employers to a full wage replacement for a period of 14 weeks. Some might say that whilst voluntary activity is good, there is a joint benefit that comes both to the employer and to the employee and to society more broadly, and that it would be only fair that business contributes compulsorily, at least the top-up, giving the government - it pays up to a certain minimum. What could be the argument of your members or the points your members would raise in relation to a compulsory top-up provision?

**MR PLATT (AMMA):** I think the argument is this: in terms of an employer who wishes to be an employer of choice, it's a decision by them to provide an additional benefit, and it's a decision by them to try and delineate themselves in an employment market up to the top quartile. What the ACTU's model does is it removes the employer of choice potential and forces employers to top up, and essentially to top up from a level determined by a party of which they have no control. We think that that does not reflect the overall social benefits of introducing paid parental leave. I think if I remember correctly, the discussion paper didn't exactly detail why we're proposing to do this, but if I recall correctly, Australia presently is not replacing its existing population, and although whilst we are a lot better than some other countries, we're still lagging behind.

I would have thought that that would be one of the more fundamental objectives in respect of this process, particularly in the light of the continued graphs I see about the baby boomers moving through the system, moving into older age and the need for a health service to be provided and the hole that they leave behind in terms of contribution to the economy and the capacity to provide for welfare and other benefits. So on that basis, what we suggest is that the benefit of paid parental leave falls fairly and squarely to Australia as a whole and therefore the Australian economy as a whole should share for it and it should not be imposed on a small

group such as employers alone.

**MR FITZGERALD:** But would you not say that there are some benefits to be derived by employees both directly in that these schemes around the world seem to increase the rate of retention of existing workers with current employers irrespective of their top-up, but just basically that seems to be the case? The second point about it is that businesses by nature are recipients of anything that enhances the workforce participation rates across the nation and across industry. So it's not true to say that these are only social benefits. There are benefits that derive directly and indirectly by businesses and employers.

**MR PLATT (AMMA):** I accept that the provision of parental leave has, in the evidence that we have, improved employee retention rates, and I accept that having a ready and accessible workforce domestically is a benefit to employers, but employers contribute to Australia's economy as a whole. As I've mentioned, our industry was responsible for half of Australia's export earnings, two-thirds of Australia's commodity products. We pay a lot of tariffs and bounties to the state governments. We're responsible for a lot of PAYG tax. We're responsible for a significant contribution to the Australian economy, and so I'm suggesting that we already pay our share, and insofar as there is some benefit in terms of increased employee retention, that's a matter that each individual employer ought to choose to make in terms of a voluntary additional payment, or as is the case now, the provision of paid parental leave now.

**MR FITZGERALD:** I might just follow on, and then Angela might have some questions, but I can probably predict the answer but let me ask it anyway. We've had a couple of other models which have acknowledged that compulsory top-ups have differential impacts depending on the nature of the business - you know, a small business versus a large business; businesses employing large numbers of women versus those that don't. The response by some to that has been the establishment of a social insurance scheme whereby employers, potential employees and the government would contribute, and you may have seen in the submissions a couple of proposals whereby there would be a payroll tax levy as one way of collecting that, so one of the issues there is to share the burden across the employment landscape; we should move to the social insurance models, which of course, as you know, are dominated, particularly in the European environment, so that way there is a shared contribution but without the distortionary impacts that mandatory top-ups might have.

**MR PLATT (AMMA):** The issue that we have with top-ups is that the potential for top-up payments will result in top-up claims and our industry has moved from an industry where in the 70s it was debatable whether or not we could deliver our product to the outside world due to industrial disputation to one wherein the

metalliferous mining sector we now have zero industrial disputation rates and in the construction sector the last quarterly survey, I think, was about half a day - less than one day lost per 1000 employees, so they're historic lows.

Whilst recognising that paid parental leave will provide a social benefit that will benefit Australia as a whole - and, as you mentioned, employers - the last thing we need to do is to introduce a complication that has the potential to result in industrial claims and therefore industrial action on a matter which is really an improvement for the good of all and I really don't think it matters whether or not you say the top-up claim would be paid in a direct payment to the employee or whether it would be covered by a contribution to an insurance fund. What we say - and you predicted this before - is that this is something which should be a universal obligation for all Australians and it should be funded from the Australian tax base and should not be foisted upon employers, who already have a range of taxes to pay and payroll tax - which essentially is a tax on success - and they shouldn't be burdened with yet another.

**MR FITZGERALD:** My last question just in relation to that is that in the UK and other areas, whilst the government reimburses the employer the actual employer makes the payment and the view in some of those countries is that by the employer making the payment being reimbursed to certain levels by the government it maintains a connectiveness between the employer and the worker that is out on leave. So far some employer groups have said they would look at that; others have rejected it. I am just wondering whether you have any particular view - and you may not - as to the method of payment, the point being that some would argue that it retains that connectiveness between the two during the period of leave and therefore enhances the likelihood of a return to work by that employee. We're not sure of the evidence of that just yet, but you may have a view.

**MR PLATT (AMMA):** Anecdotally, I believe for the periods for which our funding has been contemplated there will continue to be a connection between the workplace; the fact that the employee is not attending work every day doesn't mean that they're not in communication with their fellow staff members and not in receipt of reports in relation to what is happening at the workplace. We address the issue of the administration of the scheme in our remarks, but perhaps not directly enough.

What we don't want is to become the administrators of this scheme and the government has shown that it's quite capable of administering a baby bonus scheme without the employer having to hand over the cheques and we believe that the same should happen in respect of any provision of paid parental leave by the government and we certainly wouldn't want to be providing the government with a cash flow - you know, it's petty cash basis whereby we make the - and provide the funds and then get it back in 90 or 120 days later. I'm sure that the treasurer will be able to

model the cost of the implementation of the scheme and organise for the government to have sufficient cash flow without the need to burden employers with another layer of administrative complexity and removal of the cash that they need to invest in our industry.

**MS MacRAE:** Just in relation to the nature of the government scheme, you have said that you don't want employers to be involved in funding it, but do you have a view on the nature of a government scheme or are you saying that you would support a scheme but you haven't got specifics in terms of the detail of what that would look like?

**MR PLATT (AMMA):** When we talked about the precondition for access to this scheme being one of having access to parental leave, that would mean that anyone who was entitled to parental leave would obviously be entitled to paid parental leave.

**MS MacRAE:** So the same eligibility for unpaid and paid leave, yes.

**MR PLATT (AMMA):** The same eligibility, so that would mean that the mother would be entitled to the leave. It would also mean that the father, if the father was the primary caregiver, would be entitled to the leave and that's a significant factor in our industry, bearing in mind our high predominance of male employees and it's certainly not unheard of. Within our organisation itself we have got one instance of - one of our employees left work and she was legally qualified and she returned to work and her husband, who wasn't as highly skilled, is now the sole caregiver and we would say that in those circumstances, the male would be entitled to the payment, so they're the parameters that we set and, by using that reference, it obviously sets parameters in terms of the qualifying periods and it also sets parameters in terms of the maximum period, being the maximum period of leave available, and after that it's really a question for the treasurer to determine what he is able to fund.

**MS MacRAE:** Okay, so the level is sort of an open question and the number of weeks - that sort of thing - you haven't - well, 52 weeks would be the absolute - - -

**MR PLATT (AMMA):** 52 weeks would be the absolute maximum.

**MS MacRAE:** Yes.

**MR PLATT (AMMA):** I'm sure the government will make a decision about its capacity to fund.

**MS MacRAE:** And do you have a view about what would happen for those outside the labour force? Do you support the baby bonus? Would you see the baby bonus being rolled into funding or is that not an issue - for those in the paid workforce or

have you not had - - -

**MR PLATT (AMMA):** It's not an issue that the association as an association of employers desires to comment on.

**MR FITZGERALD:** The national secretary of the CFMEU has put forward a proposition in relation to paid maternity leave, which is obviously different from that which you have put forward but the one issue that they were quite adamant about was paternity leave. Their view was - and 97 per cent of their members are males, given the industries that they represent - that unless you actually have a payment titled Paternity Leave neither the employers will encourage it nor the employees take it and their view is that they actually would like fathers to take time off and they thought it was an extremely important signalling device to men within the industry whereas the other proposals are that it's just shared - that is, the partners determine who takes what - but he was strongly of the view that in your industry and related construction and forestry industries there needed to be a very clear signalling device. It is also true that most overseas schemes have a paternity defined element to their schemes for reasons which we'll explore. I am just wondering whether you have a view about that?

**MR PLATT (AMMA):** Certainly the CFMEU's involvement in our industry is solely restricted to the coal industry and I recognise that it has got a predominantly male workforce and a predominantly ageing workforce at the moment. As we've mentioned, we don't have any objection to the payment flowing to the mother and also the primary caregiver, regardless of the sex of the primary caregiver, so in that sense it would appear that on this rare occasion the CFMEU and AMMA are at one and, as to how the scheme ought to be titled, that's a matter that I would leave to the marketing people to work out how best to promote the scheme to ensure its access by all those who are entitled to it.

**MS MacRAE:** I think that you've slightly misinterpreted what Robert was saying; that the CFMEU was saying that there would be maternity leave but there would also be separate, and possibly taken concurrently, a period of paternity leave. So it might be that the woman could have a period of 14 weeks, say, and then I think their proposal was two or four weeks.

**MR FITZGERALD:** Two weeks.

**MS MacRAE:** Two weeks of paternity leave that could be taken concurrently or subsequent to the period that the female took.

**MR PLATT (AMMA):** At present there's a capacity for joint leave at the birth of the child. We will need to have a look at that.

**MR FITZGERALD:** It's just an interesting angle, and he and the union have been quite strong about it, but for reasons that seem to have some validity, particularly in some of the male-dominated areas; but you might just want to contemplate it. As I say, most of the schemes internationally do seem to have some quarantining for the mother and some quarantining for the partner or father, whereas the balance can be shared, so it's just an interesting issue.

**MR PLATT (AMMA):** We can have a look at that.

**MS MacRAE:** Could I just ask then, for those - and this may also not be part of your survey so you may not be able to comment, but for those of your members that do currently offer maternity leave or paternity parental leave schemes, if the government was to introduce a scheme, do you have any feel for what they might do in response to that? So how much do you think might be crowded out? So, okay, the government is now offering what we were previously offering, and as a result of that, we can withdraw, or how much do you think would be either negotiated to, "Well, let's change the package now. This is replacing it. Let's do something else," or how much might they just say, "Look, we'll take that as an add-on because we want to remain as an employer of choice"?

**MS TRETHERWEY (AMMA):** About 60 per cent of the respondents to our survey said that they would consider making additional payments to a government-funded scheme, mainly for the benefits attracting and retaining their workers.

**MR FITZGERALD:** And that survey will be a part of your submission?

**MS TRETHERWEY (AMMA):** Yes.

**MR FITZGERALD:** Okay, that's good. That's terrific. Are there any other final comments you would like to make?

**MR PLATT (AMMA):** No, thanks very much.

**MR FITZGERALD:** That's terrific.

**MS TRETHERWEY (AMMA):** Thank you.

**MR FITZGERALD:** Okay, thank you very much. We might adjourn until 3 o'clock when we have one final participant.

**MR FITZGERALD:** We might recommence just for our last participant, and we're very grateful that Grace was able to come forward a little bit earlier. Linda Matthews from the Equal Opportunity Commission was due to present but is ill and is unable to do so. So we're very grateful for you coming forward as the last cab off the rank in Adelaide. If you could give your full name and your position within the parliament and then comments and we'll have a discussion.

**MS PORTOLESI:** My name is Grace Portolesi. I'm the member for Hartley. I'm also the parliamentary secretary to the attorney-general, but I'm here today in my capacity as the chair of the parliamentary select committee on balancing work and life responsibilities, which is a report of the South Australian parliament.

**MR FITZGERALD:** Good.

**MS PORTOLESI:** My purpose here today is just to have a bit of discussion and to present this report to you to bring it to the attention of the federal government through you. Although it was a report about balancing work and life, which is broader than the issue of just paid maternity leave, it did of course get into the issue of paid maternity leave. I think what would be valuable is to have a bit of chat about it, and I've sent you - I presume you've got a copy of the report. Just by way of background, the report took evidence, as you are doing - it's quite exhausting - for about six months from all over South Australia. We travelled to regional and rural South Australia, and also we went deep into the suburbs of Adelaide.

It was important to me in particular that we took the committee to the people. I hate that term, and we did take evidence from anyone and everyone who had a view about this matter, and it's a big deal. These are people who had never visited parliament house let alone given evidence before a parliamentary committee. Of course we took submissions from expert researchers like Barbara Pocock and Graham Hugo. But as I said before, it's a report of the parliament which has now been tabled, and the government of which I am a member, but the government is yet to respond to that report, and it has four months to do that from April, so soon.

I just thought I'd briefly talk about the terms of reference which I'm sure you have in front of you, but in cooking up the terms of reference, it was important to me that we went beyond the traditional social justice arguments around paid maternity leave, although that's incredibly important, but I thought the key to success for this issue was that we looked at the economic benefits, not only for business but for our state as well, and I had a feeling: was there a competitive advantage to South Australia as a state if we as a state embrace the most innovative flexible workplaces that we could come up with.

The recommendations, particularly around paid maternity leave, also need to



be considered against the South Australian backdrop of massive skills shortages which we're facing thanks to a booming economy which is fabulous, and of course an ageing population. The collision of those three factors I think present a real urgency for South Australia to act. So for me the report was also about encouraging labour force participation, both from South Australians currently in and out of the workforce, and also people living in Sydney and Melbourne who are sick of the rat race, et cetera, and of course we talk about increasing productivity, but clearly you can't have that without increased workforce participation, and we know that in South Australia we have a particularly bad record of women's participation in the workforce.

Just very briefly, we kind of had it both ways. We recommended that the federal government take steps to embrace a world's best practice around paid maternity leave, which includes the 14 weeks' paid leave and then a couple of weeks' paid maternity leave and some parental leave. We did not, however, talk about the best model for doing that. That's up to you to work out. In our deliberations we did feel that in order for such a scheme to be successful it needed to be affordable to business; particularly in South Australia this is important where small and medium-sized businesses form the backbone of our economy.

So we did acknowledge the corner deli or the corner bakery, and we did speak to people who ran bakeries, would struggle potentially to fund such a scheme directly, but also deal with the administrative burden that it might create. So that's really important to put on the record. We also felt that it was unacceptable that Australia and the United States are the two last OECD countries, I think, left standing that don't have such a scheme. We also did formally acknowledge the Productivity Commission's work as you're doing it and we thought that was a really good idea as well.

However, we went one step further quite radically, and I don't think any other state has done this, but because of the collision of those factors that I talked about briefly, we did recommend a state based scheme until such time as a national scheme is introduced, and the scheme we recommended there was the ILO standard of 14 weeks at the level of the minimum wage; might have also included two weeks' paid maternity leave.

We acknowledge that there's no doubt that paid maternity leave is a national issue, but given our massive skill shortages, our booming defence and mining industries and our rapidly ageing population - and I know Janet Giles had some figures in there about how ageing we are - that instead of feeling threatened by these factors, that this presented the state with a great opportunity to market itself as a state that was family friendly, and that would send a powerful message to the rest of the country. This was particularly important in South Australia where we struggled - in

my own experience we struggled to compete with the eastern seaboard on wages, but where we can more than compete, because of our size, on things like paid maternity leave or work-life balance, for want of a better term.

There were some fantastic examples of evidence that we got from organisations like the University of South Australia that offers a massive suite of conditions to its staff, and they do that as an attraction and retention strategy, knowing that they might struggle on salaries, but their conditions are just amazing, and it was really fascinating. So that was that issue, but just for your information will generally be - the other message that was really loud and clear was that all witnesses just about - there was massive yearning for leadership on this issue. We found that organisations didn't know where to start on this issue; needed somewhere to go for help, particularly when it came to embracing work-life balance initiatives; didn't know what it really meant. And this included businesses who weren't particularly hostile, who wanted to go down this path but didn't know what to do, so your presence here today is fantastic.

Anyway, the committee concluded, and it's my view that government only can do this, take that role, and so we recommended, amongst many other things, that the state government pilot a number of projects with small to medium-size enterprises which can be rolled out to the corner deli and the bakery on how best to deal with these issues.

Another really strong message that came through - and of course is supported by the research - is that not only is work-life balance, including paid maternity leave, great for workers, but it's absolutely fantastic for business bottom line. We heard this from unions and business alike. We all know the stories about increased retention, decreased recruitment costs, the retention of corporate memory, decreased absenteeism; it's win-win all round. So basically my fundamental theory about this is that South Australia, given again the exclusion of those factors, can't afford to ignore this issue any longer, and that's why we went down the path of recommending a state-based scheme, and, of course, the government is yet to respond to it, but yes, that's all I want to say, and I'm happy to talk about any of those.

**MR FITZGERALD:** Good thing. Thanks very much for that. You've done a huge amount of work in relation to consultations and consideration of the issues. I suppose a fundamental question is this: in your consultation and your deliberations, did you find that the greatest difficulty for particularly women, but families with newborns, was the disruption to income source?

**MS PORTOLESI:** Yes.

**MR FITZGERALD:** And the second part of that is: if that is so, did you

contemplate alternatives to a parental leave scheme? In other words, some people have said to us - not that a state government is in this position - but if you simply significantly increase the baby bonus to a much higher level, you would deal to some degree with that income issue. It's universal. Until recently it wasn't means-tested. It's now going to be paid in instalments. So you could achieve some of the benefits in terms of relieving the income pressures without the need to actually establish a paid leave scheme. I was just wondering whether there was any view or thoughts, or was the overwhelming view that it is parental leave for other reasons?

**MS PORTOLESI:** There is no doubt that the disruption to income is a big problem, and the committee did recommend that the baby bonus be reviewed. My problem with the baby bonus is that it's not linked to workforce participation. Although I've just finished a radio interview and a stay-at-home mum, as she described herself, called up and said, "Well, what about stay-at-home mums," that the baby bonus is really helpful, and she also received family tax benefits, but I think we need to look at a suite of measures, and that's why this report went beyond just maternity leave.

We also looked at and made recommendations about protections for workers who have caring and family responsibilities as well, which we don't have at the local level, although it's currently being debated in the parliament; there are amendments to the equal opportunity bill. It's really complex, so there's no doubt that having your income interrupted puts enormous pressure on a family.

I think in South Australia - and with the cost of child care being as expensive as it is - my daughter is in child care and we pay nearly \$60 a day - if you're making the average income, the benefits of working are probably quite marginal. And again another woman called in to the radio this afternoon, and they made a decision that they were better off staying at home and not having the stress of - because there's no doubt that it is stressful juggling all those things: the stress of working, dropping off the kid to child care, this, that and the other, what shall we cook for dinner? And you're probably taking home maybe 200 bucks a week. I don't know if I answered your question. Probably not.

**MR FITZGERALD:** You have. But that issue there - I suppose some would say that provided you introduce a reasonable paid parental leave scheme - let's assume for a moment 14 weeks which is, as you say, the ILO Convention - - -

**MS PORTOLESI:** Yes.

**MR FITZGERALD:** - - - although there are some interesting figures about 18 weeks being the recommendation - that, in fact, other issues, for example, child care costs - - -

**MS PORTOLESI:** Yes.

**MR FITZGERALD:** - - - and accessibility weigh even more heavily than parental leave might. But that's also contested by others that say, without question, if you don't have a substantial parental leave scheme, then you don't get to first base in terms of easing the family pressures for newborns.

**MS PORTOLESI:** Yes.

**MR FITZGERALD:** I was wondering what was your view after the inquiry or during the inquiry?

**MS PORTOLESI:** Child care was a very significant issue and we've got recommendations in here about child care. Again, particularly in the country where we took evidence from families who could not afford child care, could not access child care in the form that they need it, that were feeling real pressure from the private sector, private providers like the ABCs and the Hutchisons. We tried to get them to give evidence but they wouldn't come to the party.

I think it's a suite of measures. Paid maternity leave alone isn't the magic bullet, although I think it's such a fundamental issue that it can no longer be ignored. So child care is still out of reach for most working families. For a start, you need to deal with probably an 18-month waiting list. I was on a waiting list for one year. My family looked after my daughter until she was two. I was lucky that I had that network to be able to do that. And then you're having to choose between working - juggling all those things to take home about 200, 250 bucks. Is it worth it?

But it's also about the culture of a workplace. What we know from the research and from the evidence is that workers who want to say, "Look, I want to leave at 3.30 to go and watch Johnny play footy," the culture doesn't encourage that; often, particularly, public sector managers where there are very good conditions, don't know what they are, don't encourage them, and there's a culture of fear which is largely based on ignorance.

**MS MacRAE:** You talked about having the two weeks' paternity leave in addition to the 14 weeks' maternity leave. Was that a cultural sort of issue underpinning that about the importance of fathers being involved? Was that the main reason you came to that view?

**MS PORTOLESI:** Yes, and we spoke to people like Fraser Mustard, who is an international expert on early childhood development, although he didn't give us some formal evidence, but a lot of work is happening in South Australia around early

childhood development. It is a cultural issue; we felt that it was important that whatever levers can be put into place to encourage that bond and that relationship - but we also know again from the research that fathers want to spend more time with their children, but don't for fear of losing promotion opportunities, et cetera et cetera, and we noted some of the schemes in the Nordic countries where the schemes are arranged so that fathers have to take leave. If they want to access all of the leave that's available part of it has to be taken by fathers, which is a great idea; that's a value judgment on our part.

**MS MacRAE:** You have already given us a bit of an idea about some of the differences between the regional and rural areas and the city areas, was there anything else in that regard that you haven't spoken to us about because we haven't got to a lot of the regional areas?

**MS PORTOLESI:** The really interesting thing there was that in regional rural South Australia where the local council worker might also be the chair of the school council and sit on the board of the hospital, we found that a lot of workplaces actually had pretty flexible arrangements but they were arrangements borne of very informal agreements with bosses and with management. We interviewed one woman whose boss had changed three times in the period that she had been working for that council and every time she had to renegotiate the flexibility to go and pick up her kids - she was a single mum, et cetera - so what we found there was that (a) whatever arrangements there are are born out of goodwill and not a formal entitlement.

Enterprises and employers were wanting to do the right thing, but didn't know how to do it; didn't know where to go, needed some leadership, and saw it as not core business and a bit like a luxury items in terms of your workforce planning because there are certainly other things to attend to: this was the thing you got to if you had time, and of course you never had time to do it, and the child care thing was a big, big, big issue everywhere we went; not enough child care places concerned about quality of child care.

**MS MacRAE:** But that set of issues you have just talked about were particularly problematic in the regional and rural areas?

**MS PORTOLESI:** Yes, absolutely.

**MS MacRAE:** Okay, well, that's useful thinking.

**MS PORTOLESI:** Yes.

**MR FITZGERALD:** One of the things we have asked participants today is that, given your low level of female workforce participation relative to other states, we

seem to have this sort of mismatch at the moment: on the one hand we hear figures of about 140,000 women in South Australia would like to work or work more hours and then on the other hand we have heard of labour shortages - and skill shortages more specifically.

Normally you would expect in that environment that employers would have started to voluntarily offer schemes to attract a willing workforce of women and, while some employers have, that doesn't seem to be the case with a vast majority of employers in South Australia, so I am just wondering what is it that's happening here that hasn't led to a much more significant number of voluntary schemes in order to attract this willing and somewhat available workforce.

**MS PORTOLESI:** It's an interesting question and we certainly heard evidence from companies like Hassells in South Australia that were paying their workers - I think it was \$45 a day to do with whatever they wanted, but to ease the child care burden or to get a nanny or get a cleaner or do whatever, and Myers has had that announcement. I think what is going on in South Australia - I think, and I can't recall any research - is a combination of child care costs - child care is so expensive - if you had to in South Australia you could probably get away with one income earner in a family for a period of time, particularly compared to housing affordability issues in Melbourne and Sydney.

I mean, these are just my crude, early thoughts on this issue. I think families weigh up those factors and it is probably possible to sustain a mortgage for a period of time; to put up with a bit of financial pressure and, given you might be paying somewhere between 200 and 300 dollars in child care then you make the decision to stay home for the next few years, but it is true that there is an anticipated massive skills shortage that we're facing.

We also looked at the state government looking at strategies to retain older workers in the workforce, so choices around going part-time, doing different things, being able to access your super for a period of time, so we looked at the entire life course of an employee. I don't know what's going on and I would be interested in your views about what you think is going on in South Australia.

**MR FITZGERALD:** I'm not sure yet, but we'll have a think about it.

**MS PORTOLESI:** I mean, it's a new debate, as well, in South Australia.

**MR FITZGERALD:** One of the consequences for this inquiry specifically is - some would say, and have said to us, that whilst there may be benefits - and there are benefits - in maternal leave, the market will eventually will take care of it; that is, already over 40 per cent of working women are entitled to some form of maternity

leave, nationally, and that figure will increase even if we do nothing - - -

**MS PORTOLESI:** Yes.

**MR FITZGERALD:** Now, that figure will increase even if we do nothing, but that's because the worker - employment of choice is now a popular and necessary approach by employers, but in some markets we don't seem to see any of that movement. I might also say that I was in New Zealand at the end of last week, talking to them about their scheme, and they have seen almost no voluntary schemes - - -

**MS PORTOLESI:** Interesting.

**MR FITZGERALD:** - - - which is interesting and we find curious, so from our point of view there is a practical issue; that is, if the market were likely to in fact significantly provide voluntary and/or negotiated schemes from a public point of view we might say, "Well, why would you have a universal scheme? Why wouldn't you target it to those areas that that's not likely to happen?" but here in South Australia we don't seem to see much evidence of voluntary or negotiated schemes other than at the very top end of town.

**MS PORTOLESI:** Exactly. What we found - and my own experience - if you are at the top end of town, if you are a senior person in an organisation, then you have a greater capacity to negotiate these benefits and people know that; there is market failure in this regard.

**MS MacRAE:** Can I throw you the curved ball and ask you about - the government hasn't responded, as you say, to this report yet - - -

**MS PORTOLESI:** No.

**MS MacRAE:** - - - but I would also be interested in your views of the proposals that we had from the Unions of South Australia this morning that, as I understand it, your proposal is that the South Australian government would fund something until the Commonwealth government stepped in - - -

**MS PORTOLESI:** Yes.

**MS MacRAE:** - - - but their proposal was that if the federal government was prepared to offer a scheme of 14 weeks at minimum wage that the South Australian government would provide something additional to that - another 12 weeks on an ongoing basis.

**MS PORTOLESI:** Yes.

**MS MacRAE:** Not to withdraw at that point, but to have something that allowed that leave period to extend. Do you have a view on that?

**MS PORTOLESI:** I understand where SA Unions is coming from. I understand their argument about - which was our argument on the committee - doing something dramatic and radical in South Australia to send a message to the rest of the country and therefore leveraging off that into state migration and blah blah blah, but there is no doubt for me that this is a federal issue; it needs to be addressed federally; it needs the leadership of the federal government.

There are absolutely things the state government could do. I would love nothing more than for this government to come out and fund a scheme, but the best model, in my view, would be to have a state scheme until such time as a national scheme would kick in. I think it would cause perhaps some confusion if there were two schemes happening at the same time - I'm not quite sure - but, look, I'm happy with anything at the moment. Anything is better than what we've got, which is nothing.

**MS MacRAE:** And I guess from the other issues in your report, if the Commonwealth was to take up the parental leave issue you have got plenty of scope still, from your point of view, to do things on the general flexibility issues.

**MS PORTOLESI:** Absolutely. My argument is that there are lots of low-hanging fruit currently around the place, particularly in the public sector, where workers do have all these provisions but none of them take them up, apart from the really obvious ones like paid maternity leave, and there are so many other things that we could do that would send a strong signal to the community that this something that we as a community value; it's a public good, and there are really strong, economic arguments for small and medium-sized enterprises, businesses - the big end of town is doing it - for doing this, you know. This is something we value.

**MS MacRAE:** And in fact we have heard from employers that after employees have - for those that aren't currently entitled, once they get to 12 to 14 weeks' leave that very often the employees will then say, "Well, that's great," and in fact while it would be nice to have something in addition to that flexibility and other issues becoming relatively more important - and they put those back on the table as the priority, so it would be consistent with - - -

**MS PORTOLESI:** Flexibility around the right to return to that position.

**MS MacRAE:** Yes.



**MS PORTOLESI:** Protections against discrimination on the basis of family care responsibilities. Another big issue for us on the committee was, given our demographic status here in South Australia, that we're now facing a generation of boomers who are having to take time out of the workforce to deal with frail, aged and at times seriously ill parents and loved ones. So again, this has reflected our approach to seeing employees throughout the course of their life as opposed to short spurts of activity. We felt that people should be able to take time out of work for about three months, settle their parents into a retirement village, go back into the workforce, then in 10 years' time when they're ready to retire, maybe instead of doing five days a week, do three days a week. That might drop down to one day.

That takes quite a lot of work in terms of designing policy and innovation around that, but what we are talking about is policy innovation. It doesn't need to cost a lot of money, basically.

**MR FITZGERALD:** Some people have put to us, one of the objectives of this scheme has to be gender equity in two ways: equity within the workplace and equity within the home. In a sense your key objectives have been largely around child maternal wellbeing but also workforce attachment. I was just wondering in the broad scheme, why has this issue become so important? I understand the issue in relation for families about income, but as we've gone around - this is the seventh day of public hearings - it's become clear to me that this issue is more than the actual design of a new scheme. There's something more. What is it? Maybe you found the same thing when you went around. It's taken on a seminal position in public policy.

**MS PORTOLESI:** It has.

**MR FITZGERALD:** More than the actual design of any particular scheme. I wonder why that is the case.

**MS PORTOLESI:** I think because at a fundamental level it's desperately unfair that we might have all sorts of other schemes. We have annual leave schemes. We have sickness leave schemes. We have all sorts of other things, but I think it's unfair because the message it sends is that we don't value the job of having children and raising children, and I think a lot of people are now really struggling to juggle all of those things. Women used to put up with that - you know, the school of hard knocks, "I'm a single mum and I raised three kids by myself," and I don't think that's acceptable any more. And that was a message that came through our evidence loud and clear.

Women are still the primary carers of children and also working and want to be having more children. That's what we know from our research as well. Women

want to be having two children. We're sort having less than that. I'm one of those, and it's not fair and it's not right. I think there's a sense of justice or injustice about this.

**MR FITZGERALD:** It's also true that Australia took a slightly - given that this issue has been on the agenda about 30 years - - -

**MS PORTOLESI:** Yes, that's all.

**MR FITZGERALD:** A short period of time of public policy, we seem to have gone down a different road which was to use the social security system as a way by recognising the cost of raising children; you know, with family tax benefits and child rebates.

**MS PORTOLESI:** Child endowment, yes.

**MR FITZGERALD:** And more latterly the baby bonus. I was just wondering whether you have a view, because it's not inappropriate to use that stream as a way of increasing support for families. Again, going back to the point which I think was my very first question is, you may be able to achieve the same outcome but through a different means.

**MS PORTOLESI:** Yes.

**MR FITZGERALD:** I think you've answered that in part but, again, some people have been saying you've got to be very careful in not comparing Australia to everybody else in the world without looking at what they do on the social security side.

**MS PORTOLESI:** Sure.

**MR FITZGERALD:** In some parts we're more generous than others. In other parts, of course, we're much less generous. I was just wondering whether you have a view about which of these streams - - -

**MS PORTOLESI:** I think there needs to be a combination of the two. I think paid maternity leave is really important because it makes the link with workforce participation. That's really important for the state. I think there also has to be a very strong network of support for parents and women who make the decision for one reason or another not to work and might have average incomes and need that support; need that social security, that safety net. I think it's a combination of the two, and I'd hate one to be - you know, a paid maternity leave scheme to be adopted at the expense of the broader network of safety. Yes, it's very tricky. It's very

important for stay-at-home mums to have income support because raising kids is very, very expensive, which is why this debate for me has never been about increasing fertility because everyone has worked out that it costs more than 14 weeks' minimum wages to raise a family.

**MR FITZGERALD:** Yes.

**MS PORTOLESI:** I know I keep avoiding your question but it can't be one or the other. It has to be a combination of the two.

**MR FITZGERALD:** No, it's relevant, but often in this debate it's as if the social security system didn't exist. It's the interplay between that and tax.

**MS PORTOLESI:** That's right, and tax arrangements are very, very important as well. One thing that Australia has done very well is provide this social security safety net, and in my family, it has been very, very important, and a paid maternity leave scheme would have made a difference to my mother because she had six kids and stayed at home raising six kids.

**MR FITZGERALD:** Yes.

**MS PORTOLESI:** And she would have been devastated without the broader social security safety net, so I think it's tricky.

**Ms MacRAE:** Can I just ask, and it's another area of government policy, and I'd just be interested in the South Australian government position, that we've heard from some of the early childhood people today that ideally they would like a scheme that would allow women to stay home potentially for the first two years, certainly the first 12 months, but ideally from their point of view for the first two years because of the early childhood development issues.

**MS PORTOLESI:** Yes.

**MS MacRAE:** And, of course, that presents another conundrum for policy-makers, who on the one hand are providing potentially assistance for women to be able to - or parents, but predominantly women to stay home to look after their own children; on the other hand, providing assistance for those that want to put their children into child care during that period. Does the South Australian government, in looking at early childhood development issues, have a kind of a view around what's in the best interests of the child in terms of how long it might be that ideally parents would be home with children?

**MS PORTOLESI:** I'm not representing the government.

**MS MacRAE:** No, okay, sorry.

**MS PORTOLESI:** No, that's okay, but what I can tell you as a member of the government is that the government is just about to respond shortly in the next few months to Fraser Mustard's report, and he makes, I understand, various recommendations about what is the ideal period of time: when should a child go into child care and all of those different models.

**MS MacRAE:** Okay. So that's another report that the government has at the moment that you will be responding to?

**MS PORTOLESI:** Yes. I believe that he's tendered the report and it's now sitting with government being considered.

**MS MacRAE:** Okay.

**MS PORTOLESI:** But the government has a very strong early childhood development policy that it's been working on; what they call these ECDC centres, these one-stop-shop centres, which is about providing support to families. Anyway, so you know what they're about. But I think that's a priority at the moment, is rolling those centres out across South Australia.

**MS MacRAE:** Right.

**MS PORTOLESI:** I think Fraser Mustard's work had a big impact on the South Australian government. There's no doubt about that.

**MR FITZGERALD:** We've heard it referred to a number of times. We did have a meeting with the bureaucracy of the South Australian government yesterday which referred to that report as well.

**MS PORTOLESI:** And did they express a view?

**MS MacRAE:** No.

**MS PORTOLESI:** I think they're still making up their mind.

**MR FITZGERALD:** That's right.

**MS MacRAE:** Like everyone, I think, just the internal tensions there, it's very hard. I mean, obviously people are going to make choices, and I suppose ultimately their bottom line was, "Well, look, ultimately it's for parents to decide and what we want

is to give all people a real choice about which option they want to take as long as they're well-informed on the consequences of those choices about whether they return to work early or not."

**MS PORTOLESI:** Yes.

**MR FITZGERALD:** Any other comments you'd like to leave us with?

**MS PORTOLESI:** No, but it's great to have you here today and I look forward to a national paid maternity leave scheme. It's very exciting.

**MR FITZGERALD:** With a big top-up from the South Australian government.

**MS PORTOLESI:** I think the treasurer Kevin Foley might have a different view.

**MR FITZGERALD:** Yes, I was going to say, we'll just go over the road and say hello. Thank you very much. We appreciate that. That's the conclusion of the day unless anyone in the audience would like to make any formal comment on the record.

We stand adjourned until we meet in Perth tomorrow morning at 9 am. Thank you very much.

AT 3.41 PM THE INQUIRY WAS ADJOURNED UNTIL  
THURSDAY, 29 MAY 2008

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